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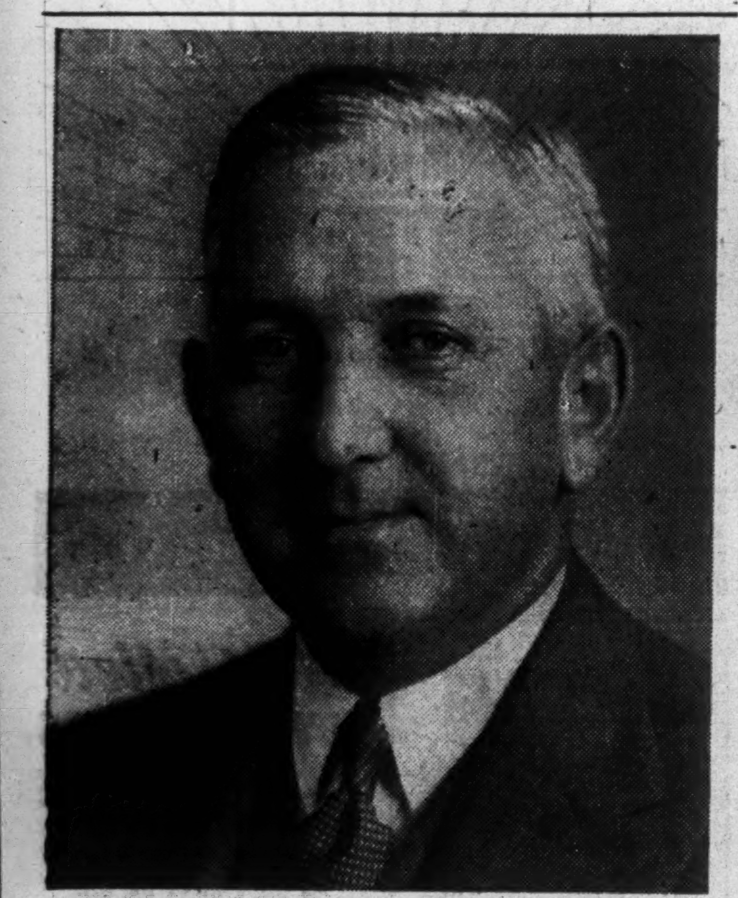
CNE President



Fair, stoutish, jovial, a practical businessman and father of three grown daughters and two sons; that's J. A. Scythes who was last week elected to preside over the Canadian National Exhibition during its first postwar operating year. Of Irish ancestry, he was born in Simcoe County, Ontario, moved to Toronto where in 1910 he started his own business. Today his firm, Scythes & Co., is nation-wide and employs several hundred people. In appearance he looks to be in his 40's; actually he's nearing the 60 mark. Although he was first elected in 1942, he considers this his first full year of actual service. The CNE suspended activities a few months after he took office during the war.

THE NATION'S BUSINESS

Overall Settlement Is Still the Need

More than usual attention attaches to this week's Ontario budget. Budgets from several of the provinces which have concluded a deal with the Dominion have already appeared. Here we have the first budget from a province which has not made any such deal and which, so far, is prepared to "go it alone" when the wartime agreement expires the end of this month. The Quebec budget is expected next week.

Because of unusually buoyant current revenues and a $28 million wartime credit due from Ottawa, it must be admitted that this week's Ontario budget is no indication of what the tax situation and the Ontario revenue situation might be in less prosperous or depressed times.

But meanwhile, this Ontario budget emphasizes three vital and inescapable points.

First, there is only one source of tax revenue, the taxpayer. No matter how our various governments divide the take, it all comes out of our pocket, and our interest is in getting maximum value for the tax dollars we are forced to pay, regardless of to whom we pay them.

Second, the fact that Ontario did not impose a personal income tax throws to Ottawa the responsibility for getting ahead promptly with complete overhaul of personal income tax. Ontario, of course, could have imposed a tax on personal incomes up to one twentieth of the Dominion tax at no additional cost to Ontario taxpayers because of the Dominion's undertaking to allow this as a deduction from Dominion tax. Had Ontario now entered the personal income tax field, this whole serious problem would have been tangled and overhaul inevitably made more difficult.

Three, the Ontario budget should emphasize to Ontarians and all Canadians the fact that the provinces have very important responsibilities; that they must have substantial funds to support public services.

Ontario's budget provision for universities and hospitals is a good example of this. Assistance to municipalities with their traffic and road problems is another. Gasoline tax seems a most logical way of meeting this obvious need.

The fact remains that Ontario's current budget is and should be only an interim measure. Some prompt and decisive settlement of Dominion-Provincial relations is vital and overdue. In these exceptionally prosperous days we can delude ourselves with rosy pictures and easy circumstances. Present Dominion-Provincial chaos, however, leaves us dangerously exposed for troublous times.

Admittedly there are difficult problems. It is by no means a case of one side being completely right and the other completely wrong. There are certain provincial concessions that could be made. But if Ottawa can come to a working arrangement with six of the nine provinces, surely with patience, and tact, the problem can be settled on a national basis. At any rate a fresh try must be made.

• • •

A Challenge to Management

Dr. George A. Brenner, New York labor relations consultant and trial examiner for the New York State Labor Relations Board, didn't pull any punches when he spoke to the Canadian Club in Toronto this week on industrial relations.

At a time when the relationship of management and labor is the 20th Century's unsolved problem, his forthright diagnosis of what's wrong and his prescription for a cure, even though it may not go down very well, is a challenge to management.

His diagnosis was bound up in the question he posed: "Why do men join unions?" His answer:

> Every living person by his nature yearns to be a builder, a creator of something. This desire starts in kindergarten where a feeling of pride swells the chest of a youngster who gets a gold star for a drawing. It's the thrill of achievement.
>
> A worker spends more of his waking time in the factory than he does in any other of his life's activities. If, therefore, those very important hours of the day do not provide him with the opportunities for self-development which every person needs—then management has failed and someone else will compete with management for the loyalty of the worker.

His remedy: human engineering; the science of understanding; the technique of good will; the art of compromise. In explanation he said:

> Neither side quite understands what the compelling forces behind the actions of the other side are. Both made the same mistakes that the nations of the world made in attempting to put the breath of life into a League of Nations or a United Nations Organization.
>
> They wanted peace without yielding even a small part of sovereignty. Management claimed that there would be peace when unions became the kind of organization which management's idea of running a business said they had to be. Union leaders said there would be peace only when management yielded some of its time-honored prerogatives.
>
> If workers are given the opportunity to share in some of the responsibilities of business, it is but a short step to the solution of the annual wage problem and the eventual use of an intelligent plan of sharing the profits of increasing production.

This is his prescription. It might be hard to swallow, but the alternative would be far worse. If management and labor fail to reach common ground on which to build industrial peace, the resulting chaos will compel the public to demand government regulation which must inevitably lead to regimentation of one type or another.

The issue is mutual survival. Free unions, free management, free enterprise will survive together or ignominously go under together.

Remove Discretion On Salary Taxation

New Ottawa Approach to Controversial Issue Will Feature "First Hand" Probe of Services Performed by Company Officers

By KENNETH R. WILSON

OTTAWA (Staff)—A new "factual" approach to administration of the highly controversial "ministerial discretion" on salaries is being made by the Income Tax Branch of Department of National Revenue, The Financial Post learns.

A new official memorandum has been prepared for the use of inspectors of income tax on this important subject. This memorandum is signed by F. H. Brown, deputy minister of the department.

The memorandum points to the fact that disallowance of salaries "accounts for more than half of all the cases in which the exercise of ministerial discretion has been recommended by the district offices." It notes also that new circumstances have arisen since abolition of salary control on Dec. 1. The new approach is said therefore to apply "specifically to the last month of 1946 and those which follow, though most of the broad principles outlined are of general application even as regards the war and immediate postwar period."

Main new "principle" set out for guidance of income tax inspectors and assessors is that there should be "first hand" investigation of services performed by officers in "closely-held corporations." It is the officers of this type of corporation where tax officials are warned "to be most watchful."

Also to be watched is the remuneration paid to officers "of associations and syndicates and their relatives, and in the case of officers who have achieved dominant positions over the general shareholders without actually being in voting control."

It is noted that in the case of incorporated enterprises there is now "a considerable amount of protection against overpayments to those in a purely employee position, by reason of the fact that such overpayments will bear more heavily on the profits of the enterprise than upon our position as tax collectors." In short, in this latter type of enterprise "shareholders will generally hold a watching brief and work in our behalf as well as their own."

The memorandum points to the difficulty of an exact determination of "commensurate remuneration" for executive services. Even within a business "most decisions must be largely arbitrary and can easily err in either direction to the extent of a marginal 10% or 20%." All that tax officials are expected therefore to do is to deal

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Court Withdraws Radium Actions

Criminal actions against Boris Pregel, Marcel Pochon and Carl B. French relating to alleged wartime dealings in uranium and radium were withdrawn this week in a Toronto court.

It is understood withdrawal was at the request of the Department of Justice with the explanation that further investigation indicated any further probable action might be civil in nature, not criminal.

Ontario Budget Highlights

Highlights of the Ontario budget address delivered by Provincial Treasurer Leslie M. Frost.

1. No personal income tax at this time.
2. A tax of 7% on corporation profits effective Jan. 1, 1947.
3. Mining Tax Act to be amended, raising imposts by an extra 3% of "mining profits" but offset by other adjustments to leave net result "substantially the same amount in total taxes" according to the budget.
4. No increase in succession duties.
5. Provincial gasoline tax will be raised from 8c. to 11c. on Apr. 1, when the Dominion discontinues its 3c. tax thus leaving the motorist in the same position.
6. Subsidies to be paid municipalities to reimburse them in part for expenditure on municipal roads.
7. One mill subsidy to all municipalities to be continued in 1947-48.
8. A surplus on ordinary account in the 1946-47 fiscal year of $454,000 after providing for debt retirement of $5,441,300.
9 A surplus of $367,143 on ordinary account for 1947-48.
10. Additional assistance to public libraries throughout Ontario.
11. Special grants of $4 millions to universities.
12. Additional assistance for public general hospitals for maintenance and special grants for new hospitals and additions on basis of $1,000 a bed.

Ontario Budget "Saves" Ottawa $31.5 Millions

Dominion Loses $42 Millions in Revenue, but Doesn't Pay $74 Millions

OTTAWA (Staff)—Out of a highly tangled web of fiscal fact and conjecture, these items emerge from presentation of Ontario's budget this week:

1. The federal exchequer is about $31.5 millions better off for 1947-48 by Premier Drew's decision not to sign an agreement with Ottawa.

2. Ontario taxpayers will have to make up this amount in provincial taxes.

Just how great a burden this will be on Ontario taxpayers is partly a matter of conjecture. There is the argument that, even if Ontario had "come into the fold" the additional federal revenue needed to meet Ontario's subsidy would have come largely from Ontario taxpayers.

As matters stand now, Ottawa loses some $42 millions in revenue, with Ontario out of the agreement picture. This is made up of $11.7 millions in succession duties, $27.5 millions in 5% corporation tax; and $3.2 millions in B.N.A. subsidy (which would have been included in the overall subsidy under a tax agreement).

On the other hand, under the deal, Ottawa would have to pay $74 millions to Ontario, which leaves a "credit" balance of $31.6 millions for the Federal Government.

Corporations Pay More

To raise the extra funds needed, Ontario corporations will pay an extra 2% on income within the province. This 2% (on the Ontario basis of reckoning) will amount in a year to about $11 millions. The remaining moneys could be apportioned at once by applying them against Ontario's gasoline tax. The amount involved ($21.5 millions) would mean something

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How Ontario Tax Plan Will Work

Answers Problem of Raising Revenues Without Federal Grants – Challenge to Ottawa to Slash Income Tax Rates is Seen

The question of where "nonagreeing" provinces would look for revenue to offset federal subsidies which they have refused was answered at least in part in this week, when Provincial Treasurer Leslie Frost presented Ontario's "surprise" budget in the Legislature.

The budget was a surprise in more ways than one. It came before the House weeks before it was expected, taking opposition groups by surprise, and bringing protests that the Government would be "scrambling" the debate on the speech from the throne—only barely launched—and the budget debate.

In its content, the budget proved more of a surprise by the taxes it omitted, than those it included. Treasurer Frost passed up an opportunity to divert to Ontario's coffers 5% of what the Dominion collects in Ontario from personal income taxes but stated, "We propose to offer no impediment to drastic income tax reductions by the Dominion Government." It imposed instead a higher corporate income tax rate — 7% — than was generally expected.

Also imposed was an additional three cents a gallon gasoline tax, expected to net $12 millions yearly. This three cents absorbs the saving to motorists through the Dominion's forthcoming three-cent reduction in this tax.

Announcing the corporation tax (expected to raise $38.5 millions) Treasurer Frost said: "I think it will be agreed that this tax is not above the level of our own requirements, or of the tax-paying capacity of the corporations; is fair and reasonable, and one wholly warranted by the circumstances of the times in which we are.

In announcing no increase in succession duties, Mr. Frost stressed the increased burden of the Dominion succession duties and stated the only solution is for the Dominion authorities to withdraw from this field.

Surplus of $454,000

Frost estimated a net surplus of $454,000 for the fiscal year ending March 31, next, after providing for sinking funds and maturing railway aid certificates, amounting to $5,441,300. For the year 1947-48, he forecast a surplus of $367,143 on ordinary account.

On a basis of ten months actual figures and two months estimated, for the current year, the treasurer placed total net ordinary revenue at $139,353,600, and net expenditures at $138,899,600.

For the same period, total net capital receipts are $20,545,600 and total net capital payments are $26,070,400, leaving a net payment to be made on capital account of $5,524,800.

For the fiscal year ending Mar. 31, 1948, net ordinary revenue was forecast at $159,689,151, net ordinary expenditure at $159,322,008. Net capital receipts were estimated at $48,803,740 which include $28,964,040 due from the Dominion Government as a result of deductions under the Dominion-Provincial tax agreement. Net capital payments are estimated at $42,781,600 which include $23 millions for highways. This means a surplus on capital account of $6,022,139.

Gross cost of servicing the provincial debt is estimated at $24,066,700—an estimated saving of $1,415,200 from the current year.

Assume Education Cost

Expenditures for education will be provided 80% from current revenue and 20% from surplus for the fiscal year 1946-47, as against 34% and 66%, respectively, for 1945-46. "For the year 1947-48 we plan to assume the total costs of education within that fiscal year," Mr. Frost stated.

The sum of $28,964,039, which is to be paid by the Dominion within 30 days of the termination of the Dominion-Provincial tax agreement, is being treated in the 1947-48 account as capital receipt.

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Inside News

Old Canard Dies Hard

The old canard about Lend-Lease aid having been supplied to Canada by the United States, still recurs from time to time. The Financial Post's Kenneth R. Wilson dissects the rumor and shows its falsity, pointing out that Lend-Lease materials which came to this country were either for re-shipment elsewhere, or for use by other United Nations forces training here (p 15).

Socialism Boomerangs

Promises of a Socialist Utopia are proving a boomerang in England, as the fuel crisis, with all its attendant hardships, continues. Conditions in the country, are more cheerful than in London; but the Government is encountering snags in its program to decentralize the nation's population. London Calling, by Adelphi (p 28).

Three Budgets in Week

Budgets for the fiscal year 1947-48 were submitted to three legislatures (Saskatchewan, Alberta and Ontario) within the last week. In Saskatchewan, the old parties, anticipating a possible election this year, are discussing the possibility of a united anti-CCF front. Provincial Roundup (p 7).

Living is Dangerous

Living is a dangerous business. Whether at home or elsewhere, chances of an accident are always present. If one happens, it may be costly, unless you are insured. The Financial Post's banking and insurance editor points out many of the hazards, against which it is wise to protect oneself. How to Keep Out of Trouble (p 15).

Army, or $238 Millions?

Which does Canada need most, a peacetime army, or the $238 millions estimated as necessary to maintain it? Stuart Armour, well known writer on economics, regards the Dominion's postwar defense program as "peculiar, and possibly dangerous." Many readers may disagree with him; but the majority will probably at least read his views (p. 15).

Churches on Upgrade

Interest in church activities in Canada definitely increased during and since the war, in the opinion of the great majority of clergymen and other informed observers questioned by The Financial Post. Some draw a distinction between the phrase "church activities", and individual religious faith (p 12).

Stairs in a Box

Stairs for Canadian homes will soon be available in a box the size of a bureau drawer, capable of being assembled in 90 minutes. A convertible, 1,820 lb. midget motor car is in production in the United States, as is a new paint, reported to keep buildings cooler in warm weather. What's New in Business (p 14).

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$3 Wheat Obstacle To New World Pact

Export Sales to Other Than U. K. Markets, at New Price Peak – Mounting Production Costs Intensify Farm Unrest

From Our Own Correspondent

WINNIPEG—Canadian wheat touched $3 a bushel at the beginning of this week—that is, wheat exported by the Canadian Wheat Board to countries other than Great Britain. The price of wheat in this category (known as Class II wheat) is adjusted daily by the Wheat Board to correspond with fluctuations on the Chicago market, where prices for all grains have advanced sharply in the last few weeks.

The $3 level was reached first by Durum wheat, which is priced at 10c. a bushel higher than the standard grade of No. 1 Northern. Feed grains followed the trend, the Wheat Board raising its price for permits to export oats to 64c. a bushel. This means oats for export are now priced at more than twice the domestic ceiling of 51½c. a bushel.

The sudden spurt in grain prices came as a jolt to Wheat Board officials and observers here believe it will greatly increase the difficulties of the London Wheat Conference in reaching a workable wheat agreement. The advance is particularly remarkable in view of the fact that the U. S. winter wheat belt is looking forward to the largest crop ever harvested.

Another Year of Shortage

Normally such a prospect could be expected to have a distinctly bearish effect on wheat prices, but today it is outweighed by realization that the world wheat shortage is due to continue for at least another year.

Winter weather has played havoc with the fall-sown wheat crops of both Great Britain and the Continent. France has recorded a total loss of crop over a large acreage. It hopes to recover from the blow by re-seeding to spring wheat, and considerable quantities of Canadian seed have been obtained for this purpose—but spring wheat is not expected to give anything like the returns usually obtained from winter wheat, and an unfavorable seeding season appears to be in prospect.

The Australian crop is small—perhaps not more than 100 million bushels, and the export surplus will be mainly absorbed in Oriental countries.

In spite of large total stocks in

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A. F. White Resignation Asked by Co-directors

By ARTHUR STYLES

MONTREAL (Staff) — While the behind-the-scenes struggle for control of St. Lawrence Corp. and its three subsidiary companies continued to gain momentum, these facts entered the public limelight this week:

Arthur F. White, president of subsidiary Brompton Pulp & Paper, had been asked by his co-directors to resign as an officer and director;

Mr. White was named chairman of a new "stockholders' committee" of St. Lawrence Corp. which claimed it owned or had the support of stock representing 40% of the corporation's outstanding stock;

Brompton, only operating company in the group to report to date for 1946, showed an encouraging earnings (see page 18).

The "Shareholders' Representative Committee," supporting the management, named Ross Clarkson vice-president and general manager of Royal Trust Co, as its permanent chairman.

Opposing the White committee, St. Lawrence Corp. President A. K. Cameron and Vice-President John I. Rankin urged shareholders not to sign proxies until they had received the annual reports of the parent company and its subsidiaries, Lake St. John Power & Paper and St. Lawrence Paper Mills. Their action suggests to some observers the possibility that these companies will report strong financial progress for 1946, and that the present management will be in a position to take the credit for this progress.

Identified with the White committee are Hugh MacKay, head of W. C. Pitfield & Co., and leader of the opposition in the New Brunswick Legislature; Robert Fennell, K.C., of Toronto; J. Edouard Labelle, K.C. of Montreal; David Van Alstyne Jr. and Collings Henderson, both of New

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What New Ontario Budget Means to Business

By JAMES H. JOYCE

Industrial corporations doing business in Ontario will pay up to a maximum of 2% more of their profits in corporation income tax than those with a head office in one of the six provinces signing a tax agreement with the Dominion Government. That is the effect of the Ontario Government's action in imposing a rate of 7% on corporation profits.

Further, with the Corporation Tax Act automatically coming into operation again, the tax on "paid-up capital" of corporations (1/20 of one per cent on most companies) in effect prior to the Dominion Provincial agreement, will be restored.

Under the Act, every incorporated company which has an office or holds assets in Ontario must pay a provincial tax on its net income. Before the war the tax was 2% and then 5%, where it stood when the province surrendered its rights in this field under the wartime emergency agreement. Now it will be 7%. The same Act also provides for the tax on capital.

Charities, social clubs, co-operatives, banks, insurance companies, railways and certain others are exempted but some are subject to taxation of a special form under the act. Insurance companies pay a tax in respect of premiums. Banks pay on paid-up capital, reserve fund and undivided profits and on number of branches. Companies with a head office in Ontario but not transacting business in Ontario, pay only a $50 tax on office.

How Corporate Income Tax Works

This is how the Ontario corporation income tax would affect a company with a taxable income of $100,000 according to (a) the location of its head office and (b) the proportion of its business done in Ontario. For purposes of simplification and illustration, the following table is based on five assumptions: that the Dominion rate will be 30%; that no EPT is applicable; that there is no investment income; that the province other than Ontario is an "agreeing" province, which will have a 5% rate and that there is a uniformity in definition of how the tax is applied. Most common Ontario method of allocating net income of companies operating in more than one province is on the basis of gross sales by provinces or gross revenues, and excludes investment income.

HEAD OFFICE IN ONTARIO

(a) If all business in Ontario:		
Dominion tax	30%	$30,000
Ontario tax	7%	$ 7,000
Total		$37,000
Rate on Ontario income=7%		
(b) If 80% business in Ontario, 20% in "agreeing" provinces		
Dominion tax	30%	$30,000
"Agreeing" provinces, 5% of 20%		$ 1,000
Ontario tax 7% of 100% less $1,000		$ 6,000
Total tax		$37,000
Rate on Ontario income=7.5%		
(c) If 20% business in Ontario, 80% in "agreeing" provinces		
Dominion tax	30%	$30,000
"Agreeing" prov. tax 5% of 80%		$ 4,000
Ontario tax 7% of 100% less $4,000		$ 3,000
Total tax		$37,000
Rate on Ontario income=15%		

HEAD OFFICE IN AN AGREEING PROVINCE

(a) If all business in agreeing provinces		
Dominion tax	30%	$30,000
Provincial tax	5%	$ 5,000
Total tax		$35,000
(b) If 20% business in Ontario, 80% in "agreeing" provinces		
Dominion tax	30%	$30,000
"Agreeing" provinces tax, 5% of 80%		$ 4,000
Ontario tax, 7% of 20%...		$ 1,400
Total tax		$35,400
(c) If 80% business in Ontario, 20% in "agreeing" provinces		
Dominion tax	30%	$30,000
"Agreeing" provinces tax 5% of 20%		$ 1,000
Ontario tax 7% of 80%....		$ 5,600
Total tax		$36,600

A company with a head office in Ontario will be assessed 7% on its total net income, but an allowance is made for income taxes paid to other provinces. A company with a head office outside of Ontario will pay the 7% tax only on that portion of its net income derived from Ontario sources. As a generalization, it can be said that, the greater the proportion of such company's net income coming from Ontario, the closer its provincial corporate rate will be to 7%.

The 2% maximum differential which could apply to income would only arise between a company with its head office in Ontario and one with head office outside of Ontario and doing no business in that province.

The foregoing is the simplest statement of the case, and disregards many complicating factors. The way in which the individual tax is calculated in each province will affect the tax paid. For example, if a mythical company operating in Saskatchewan showed 40% of its sales in Saskatchewan, but derived only 20% of its profits there, there would be a loading against Ontario, as Ontario would allow the Saskatchewan tax up to 40% of its own tax. The opposite situation would load the exemption allowed the other way.

The amount of the extra cost will also depend on the rates established by the other "nonagreeing" provinces—Quebec and Nova Scotia. Around 80% of all Canadian industrial corporations have their head offices in Ontario and Quebec, while by far the biggest proportion of the corporate income is derived from Ontario and Quebec (80% of assessable corporate income in 1945). If Quebec sets the same rate (7%) as Ontario then only about one fifth of Canadian corporate income based on 1945 assessments would be subject to the 5% rate, which will be effective in the agreeing provinces.

Canada Gets First Helicopter More Coming--at $70,000 Each

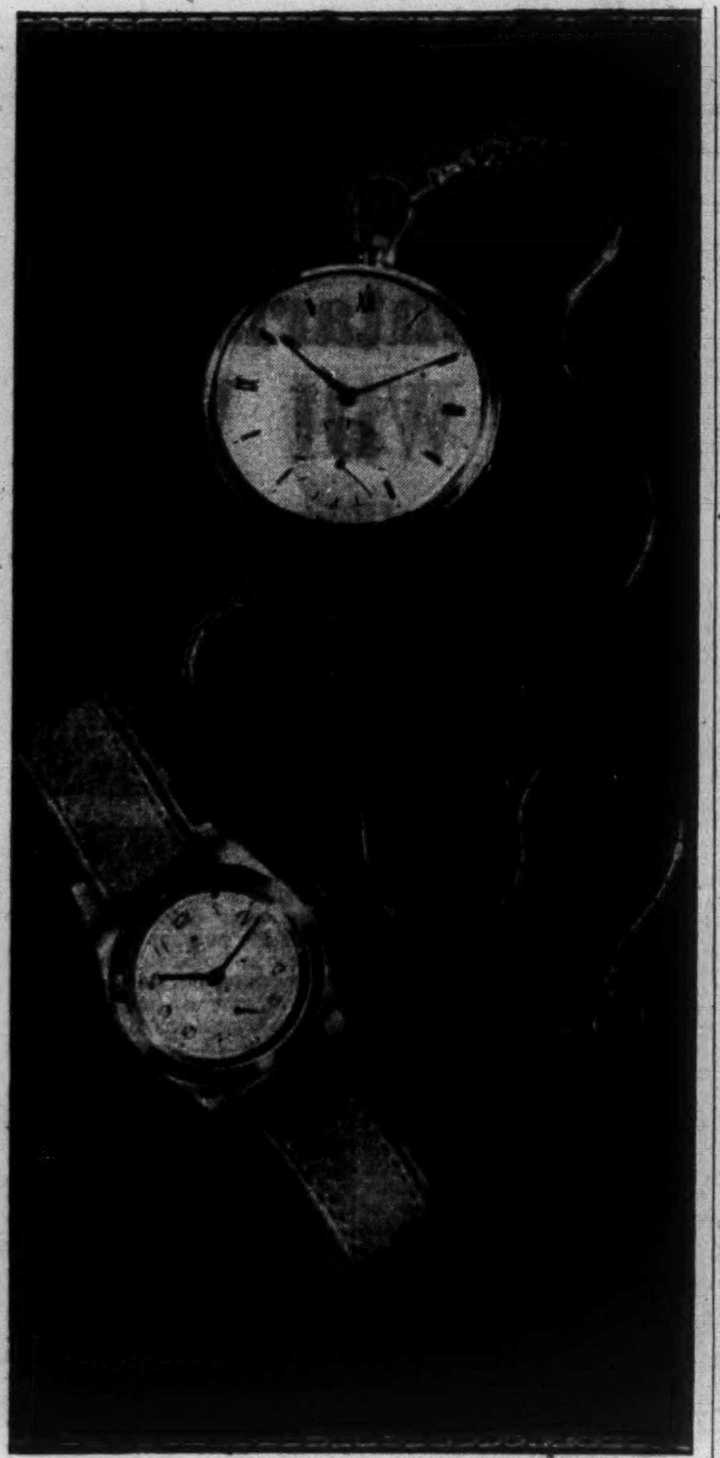
MONTREAL — First of three Sikorski S-51 helicopters was delivered this week to the Dominion Government by Pratt & Whitney Aircraft Co. (Can.) with a second to follow later this month. Purchased for the Dept. of National Defense, they will be operated by the RCAF. Price is said around $70,000 each.

It is expected that National Defense will find three main uses for helicopters: (1) for air rescue work, patrolling civil air and water routes in the area for which Canada is responsible, under ICAO provisions. (2) by the army for traffic control and artillery fire control. (3) by the navy for rescue work from aircraft carrier.

Three RCAF men have been sent to the Sikorsky plant at Bridgeport, Conn., for instruction in helicopter operation. The first helicopter was scheduled to arrive in Montreal by mid-week. Final leg of the trip will be to the RCAF training station at Rockcliffe, Ottawa. The honor of piloting the first one falls to F./O. "Tom" Walnut.

Sikorsky S-51's, the type purchased have space for a pilot and three passengers. A spokesman for Pratt & Whitney, Canadian salesman for the Sikorsky division of United Aircraft Corp., states that the aircraft are equipped with an oil dilution system for cold weather operation. Also each helicopter carries a hoist capable of lifting 350 lb. 150 ft. This feature, it is stated, will enable the machines to perform rescue work even though a landing cannot be made.

Post office officials have apparently passed up the helicopter for the present at least. The cost factor may have ruled out such craft for rural deliveries. It is generally conceded that many thousands of dollars will have to be pared from helicopter selling price before many agencies, including the Government, can afford them in large numbers.



What does YOUR watch say?

To others . . . it is your excellent taste superbly expressed. To you . . . a highly prized personal possession, a steadfast guardian of your precious time. These are proud examples of the watchmaker's art . . . typical of the fine watches you find at

EATON'S

Ont. Taxes Companies Spares Personal Income

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and "will be used solely in payment of items including refundings which may be deemed to be in the nature of capital obligations."

The reserve fund, "Interest and Depreciation Account," which will amount to over $5 millions at Mar. 31, is being reduced by $4 millions, which the Government is distributing to universities for building extensions and capital equipment. Main emphasis is given to the medical faculties of the various universities.

More For Hospitals

Payments to hospitals will be extended to all hospitals on a specified basis, which will cost about $2.2 millions. In addition, capital grants will be made to assist in construction of new hospitals and additions to present hospitals not exceeding $1,000 a bed, in both public and private wards. In the case of chronic or convalescent hospitals, the grant will be $2,000 per bed.

Department of Education estimates are $38,504,057—an increase of over $24 millions over the fiscal year ending Mar. 31, 1943. Grants to public libraries will be approximately 2½ times greater than in the preceding year, it is stated.

Subsidies on Roads

Subsidies will be paid "under certain conditions" to municipalities to reimburse them in part for their expenditure on municipal roads. Towns, villages and counties will receive a subsidy of 50% of their road expenditure, provided that the maximum subsidy shall not exceed an amount equal to the county road levy for the preceding year. All cities together with towns and villages in Northern Ontario will receive a subsidy of 50% of their road expenditure provided that the maximum subsidy shall not exceed an amount equal to one mill on the general assessment. County rebates will be discontinued so as to make more money available for county roads.

The government intends to continue paying the usual one mill subsidy to every municipality in the province based on general assessment.

Revise Mining Taxes

An amendment to the Mining Tax Act (see story, page 26), will raise the annual rate to 6% on the first $1 million of profit, 8% on the next $4 millions and 9% on all mining profits above $5 millions. (This compares with 3%, 5% and 6%, respectively, in the past). As a concession to new mines, and applicable only to the first three years in production, there also will be allowed against tax at the new rates referred to, a reduction of 50% thereof so that such new mines will pay approximately half the amount of mining tax payable by others.

At the same time, an amendment to the Corporation Tax Act will be introduced, allowing an exemption from taxable income of the full amount of mining profits taxable under the Mining Tax Act.

"The result of the amendments to these two Acts will be that mining companies will pay larger amounts in royalties but no corporation tax on mining operations to the Government of Ontario," Mr. Frost said. "They will pay lesser amounts to the Dominion Government in corporation tax under the Income War Tax Act. The net result will be that they will pay to the two governments substantially the same amount in total taxes as they are presently paying."

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Acadia Apartments Ltd.—Arthur H. Campbell, a director.

Aluminum Goods Ltd. (Toronto)—Norman E. Russell, president.

Association of Professional Engineers of Nova Scotia — A. E. Flynn, president.

Appraisal Institute of Canada — H. M. Morrison (Winnipeg) president; J. A. Lowden (Winnipeg) vice-president; W. J. Smith (Winnipeg) secretary-treasurer.

Associated Equipment Distributors (U. S.) — Vincent J. Sheridan (Toronto) vice-president.

Bruck Mills (Australia) Ltd. — Leopold S. Lee (Montreal) managing director.

Building Contractors' Assoc. of B. C. (Vancouver chapter)—Ernest Hudson, president.

Cosmos Imperial Mills Ltd. (Hamilton)—W. S. Burrill, chairman of the board; A. V. Young, president; J. V. Young, vice-president and managing director.

Canadian Refrigeration Manufacturers Association—C. G. Heilig, president; C. Dowson, vice-president.

Canadian National Railways — W. G. Palmer, assistant general superintendent, car equipment, Central Region; Geo. McGready, shops superintendent, London, Ont., R. M. McBain, asistant general freight agent, Vancouver.

Canadian Broadcasting Corp. — J. J. Bowlen (Calgary) a director; Don Fairbairn, chief commercial sales representative, Toronto; Bob Kesten, manager, station CJBC, Toronto.

Cordners Ltd.—Geo. F. Heckman, a director.

Canadian Pacific Railway Co.—Duncan George, chief clerk to president; D. L. Chambers, chief clerk to Ontario general superintendent; D. L. Benzie, assistant chief clerk to Ontario general superintendent; E. A. Fisher, senior safety clerk.

Combined Enterprises Ltd. (Montreal)—Harold M. Long, a director.

Continental Can Co. of Canada—J. A. Mann (Montreal) a director.

Canada Flooring Co. — A. R. Duffield, a director.

Consolidated Mining & Smelting Co. of Canada — Marshall A. Wolfkill, manager of metal sales.

Canada Cement Co. (Montreal)—J. M. Breen, assistant general manager.

Canadian Ceramic Society—William C. McGolpin (Toronto) president.

Dominion Bank—R. G. Hogg, assistant agent, New York.

Donnacona Paper Co. — Geo. B. Foster, a director.

F. F. Barber Machinery Co. — L. M. Wiertz, general manager.

G. D. Peters & Co. of Canada — L. J. Taylor, sales manager.

Glidden Co. — Charles Morrison, Canadian division managing director.

Metropolitan Life Insurance Co.—Fulton W. Jenkins superintendent of agencies eastern Canada territory; Freeman D. Smith superintendent of agencies of Canadian territory, including both eastern and western Canada territory.

Pacific Great Eastern Railway—Hon. John Hart, president.

Port of Montreal — R. F. Leslie, shipping master.

Quebec Road Builders' Association — Leon Page (Three Rivers) president.

Quebec Forestry Association — H. Magnan, a member Executive Council.

Retail Men's Wear Association—W. M. McCaig, president; Ed Provan, vice-president.

Rubber Association of Canada—W. H. Miner (Granby) president.

Saskatchewan Association of Rural Municipalities — A. J. Bater (Baljennie) president; F. M. Ferrie (Invermay) vice-president.

Saskatchewan Quick Freeze Locker Plant Operators' Association — R. G. Ast (Fillmore) president; H. Amiss (Moose Jaw) vice-president; Geo. Peacock (Regina) treasurer; James Staples (Regina) secretary.

R. C. Smith & Son Ltd. — Earl Aikin, account executive.

United Kingdom Government — Peter Scott Young, trade commissioner, Montreal.

Veterinary Association of Manitoba — Wm. Hilton (Winnipeg) president; A. Savage (vice-president; J. M. Isa, secretary-treasurer.

Winnipeg Builders' Exchange — W. S. Sparrow, president.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN FIRE INSURANCE CO. reports premium income in 1946 at almost $2.7 millions, up $630,875 over 1945. Total assets were $381,089 higher at $4.4 millions while policyholders' surplus was $1.1 millions, ($1.3 million in 1945). Loss experience was less favorable with a loss ratio earned of 58.9%, (48.2% in 1945). This and an increase in the unearned premium reserve on the larger volume of business written, resulted in a decline of $146,545 in surplus account.

	1946	1945
Premium income	$2,669,561	$2,038,686
Reinsurance prems.	863,794	637,210
Losses & adjustments inc. reserves	908,194	622,342
General expenses	780,570	623,725
Sh'holders divids.	80,000	80,000
Total assets	4,404,875	4,023,787
Liabs. to public	2,183,865	1,656,231
Liabs. to sh'holders	1,040,000	1,040,000
Surplus	1,181,011	1,327,555
Loss ratio	58.9%	48.2%

MASSEY-HARRIS CO. net profit for the year ended Nov. 30, 1946, was 33.8%, a substantial reduction in income tax provisions being an important contributing factor.

Sales volume was $70,083,768 ($115,763,611 the preceding year). Sales of agricultural equipment totalled $64,424,546, and the balance of $5,659,222 represented sales of machine tool division and the carryover and termination of war contracts. Sales of agricultural implements set a new record (34% higher than in 1945).

Surplus account was credited with $245,612 resulting from adjustments of prior years' earnings, including refunded portion of U. S. excess profits tax.

The new combine plant at Toronto was completed during the year and brought into production; the new plant at Racine, Wisconsin, acquired for tank production, was converted to manufacture of tractors and tractor implements; the modern building erected at the Verity Works, Brantford, for manufacture of gun mounts was utilized for setting up a new forge shop. A new engineering research and sales building is under erection in Toronto. Net 1946 expenditure on plant was $4,269,256.

The Manchester, Eng., plant is now in full operation, producing six types of agricultural machines, several thousand units of which have been already supplied to the United Kingdom and continental market. To provide working capital, the British subsidiary is arranging to sell £400,000 of 3½% debenture stock.

Common share earnings were larger for the year, despite an increase of 365,703 in shares outstanding owing to conversion privilege attached to the preference shares, and an increase of 3,818 common shares under a plan whereby certain officers and employees were sold rights to purchase common shares.

It is believed that throughout the current year, demand will continue to exceed supply, President James S. Duncan states. Manufacturing capacity of the plants has been greatly increased, but the limiting factor will continue to be, at least for the next few months, one of material shortages. The removal of price ceilings in the U. S. has permitted adjustment of selling prices in relation to increased costs.

CONSOL. INCOME ACCOUNT

Years Ended Nov. 30:	1946	1945
Net earnings	$6,354,124	$7,090,686
Less: Deprec.	897,594	794,736
Int. on loans	55,738	125,637
Bond int.	433,222	383,833
Pension fund	242,000	268,000
Invent. res.	350,000	675,000
Income taxes	2,250,000	3,255,000
Net profit	2,125,370	1,588,480
Less: Pref. divd.	372,135	604,495
Com. divd.	547,520	......
Surplus for year	1,205,915	983,985
Times Bond Interest Earned:		
Before deprec.	14.54	18.15
After deprec.	12.47	16.06
Earnings per Share and Dividend Record:		
Pref.: Earned	$7.35	$3.32
Paid	1.25	1.25
Common: Earned	1.58	1.32
Paid	0.50	....

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1946	1945
Cash & govt. secs.	$10,173,110	$14,166,342
Accts. rec.	3,606,006	4,107,716
Inventories	26,596,195	21,987,331
Total curr. assets	40,377,311	40,261,389
Prepaid chgs.‡	354,504	279,673
Cash dep. re bds.	....	700,000
Invest. affil. cos.	1,795,200	1,976,664
Fixed assets*	9,567,810	6,196,149
Total assets	52,094,825	49,413,875
Bank loan	1,317,555	1,738,266
Accts. & tax. pay.	8,043,647	7,566,650
Total curr. liab.	9,361,203	9,304,916
Funded debt	15,000,000	12,700,000
Reserves	4,781,677	5,791,690
Capital stock	14,490,034	14,433,223
Capital surplus	2,206,207	2,206,207
Earned surplus	6,355,705	†4,977,840
*After depr. of	13,337,268	13,028,511
Working capital	31,116,109	30,956,473

†Includes credit of $382,442 on determination of standard profits in Canada and adjust. on prior years' contracts and deprec.

‡Incl. in curr. assets in co's report.

Look For It Here

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Ottawa Alters Tax Reviews

(Continued from page 1)

with salaries and other remuneration which are "truly excessive." "We should be able to do this" the memorandum continues, "quite well through careful investigation of fact and the exercise of reason and judgment, rather than by any formula or rule of thumb."

Must Supply Particulars

Where it is felt that ministerial discretion must be exercised, inspectors and assessors are requested to supply, in so far as possible, the following particulars:

1. Amount of sales or other revenue, and profits before income tax, for 10 years back;
2. Amount of salaries, fees, wages, bonuses, etc., of the employee, for the same 10-year period;
3. A description of the character of the business;
4. A statement of the employee's duties in some detail, with particulars of any recent change of consequence, particularly in responsibilities, and an estimate of the amount of time given to the business;
5. An estimate of the capacity and experience of the employee, particularly if his contribution is claimed to be unusual;
6. Age and background of the employee;
7. In the case of a closely-held corporation, the number of shares held by the employee, the number held by his immediate family, and the total shares issued;
8. Remuneration paid to principal officers of organization, giving positions held;
9. A brief summary of reasons for recommending the exercise of ministerial discretion, including a review of the taxpayer's own representations or a copy of these if presented in writing.

Quebec Expected To Place 7% Tax On Corporations

OTTAWA — (Staff) — Clear-cut decision of Ontario to stay out of any federal-provincial tax deal has cleared the air considerably.

What is expected here now is that Quebec will follow suit and impose a 7% corporation tax similar to that announced this week by Ontario.

It is also expected Nova Scotia will accept the federal offer very shortly.

This would mean a dollar cost to Ottawa for 1947-48 of $90 millions, for the seven tax transfer pacts. In the estimates tabled last week, only $14.4 millions of this was budgeted for. This latter amount represents statutory subsidies only. Thus the cost of implementing seven agreements would add a further $75 millions to presently estimated federal expenses in 1947-48.

TORONTO BOND TRADERS ASSOCIATION annual dinner is being held this week with Premier Drew of Ontario, as speaker. A large representation of traders is expected from Montreal and from New York, President C. W. McBride states.

CANADIAN INDEMNITY CO. reports total premium income of $2.9 millions in 1946, an increase of $705,209. After deducting reinsurance costs, net premium income was almost $2.2 millions. Surplus to policyholders including capital was $1.5 millions. Loss ratio was 49.5% (44.4% in 1945). Free surplus was $5,767 higher.

	1946	1945
Premium income	$2,923,623	$2,218,554
Reinsurance costs	726,245	494,102
Losses & adjustments inc. reserves	946,380	667,757
General expenses	942,810	737,809
Inc. in unearned prem. reserve	288,299	177,217
Sh'holders divids.	40,000	40,000
Total assets	3,865,593	3,331,108
Liabs. to public	2,309,665	1,780,947
Liabs. to sh'holders	520,000	520,000
Surplus	1,035,928	1,030,160
Loss ratio	49.5%	44.4%

SMALL MANUFACTURING BUSINESS FOR SALE

Food, bakery and confectionery field. Turnover $36,000 in local test area. New equipment . . . registered Trade Mark . . . large potential market that will warrant expansion to national scale and development of specialty items. Raw materials in good supply. Owner requires cash.

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DIVIDEND NOTICES

DIVIDEND NOTICE

The Board of Directors of Canada Dry Ginger Ale, Incorporated, at a meeting thereof held on Feb. 20, 1947 declared the regular quarterly dividend of $1.0625 per share on the $4.25 Cumulative Preferred Stock and a dividend of $0.15 per share on the Common Stock; both payable Apr. 1, 1947 to stockholders of record at the close of business on Mar. 14, 1947. Transfer books will not be closed. Checks will be mailed.

WM. J. WILLIAMS,
V. Pres. & Secretary

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that the One Hundred and Forty-third quarterly dividend of one and three quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, for the quarter ending February 28, 1947, on the Preferred Stock of the Company, has been declared payable April 1, 1947, to Shareholders of record the 10th day of March, 1947.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
February 6, 1947.

CANADIAN WESTERN LUMBER COMPANY LTD.

A Dividend of twelve cents (12c.) per Share on the outstanding Shares in the Capital Stock of Canadian Western Lumber Company Limited has been declared payable in Canadian funds on May 1, 1947, to Shareholders of record at the close of business on April 3, 1947.

The Dividend is payable to registered holders. It is suggested that beneficial owners of Shares registered in other names consider transferring their Shares into their own names prior to the record date. Shares are interchangeably transferable at the offices of National Trust Company Limited, Toronto, Ont., and Vancouver, B.C., and at the office of The British Empire Trust Company Limited, London, Eng.

W. A. WALKER,
Secretary.

Toronto, March 12, 1947.

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EXPORTS

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INDUSTRIAL COMMISSIONER
For the City of Owen Sound, Ont.

APPLICANTS SHOULD be of mature years and judgment with a background of business experience in the fields of industry, finance and labor relations. Duties will include organizing of office research on industrial possibilities and personal contact with senior executives. Please give full particulars as to age, personal status, experience and salary expected. Industrial Committee, Board of Trade, Box 107, Owen Sound, Ont.

WANTED
A REFINERY ENGINEER

MUST BE A "Born Again Christian". For border state refinery. Qualified to report all chemical operations to head office. Excellent prospects. Write fully as to qualifications, salary expected, age, marital status. References. Box 94, The Financial Post, Toronto.

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AMBITIOUS AND aggressive young man with 3 years' practical experience, willing to invest up to $10,000.00 in a related business. Must stand strictest investigation. Box 89, The Financial Post, Toronto.

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RESPONSIBLE CANADIAN business man and engineer leaving for England in May would undertake business transactions for Canadian firms or business man. Box No. 95, The Financial Post, Toronto.

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YOUNG MAN, well educated, good appearance, age thirty-nine. Financial house, some merchandising. Army liaison, administrative and personnel experience desires sales, service or administrative position where an aggressive go-getter's services can be utilized. Box 96, The Financial Post, Toronto.

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Second Floor

'March on Victoria' Splits B.C. Labor Charge Strategy Inspired by Reds

A communist-supported and partially-inspired plan to stage a mass labor lobby during this session of the British Columbia legislature over labor legislation has split the ranks of Vancouver labor right down the middle. The Vancouver Labor council (CIO-CCL) which is virtually in control of the extremists of the left, is behind the plan to have hundreds of trade unionists converge on Victoria to demonstrate for satisfactory labor laws.

At the start, the Trades and Labor Council (AFL-TLC) were ready to take part too. Then Delegate R. K. Gervin, a Vancouver alderman, pointed out a similar lobby last year had accomplished nothing. With this the council reversed itself, decided to have no part of the demonstration.

In the meantime, communist sympathizer William Rigby, secretary-treasurer of the United Fishermen and Allied Workers' union, an AFL union, said his *union* would go anyway. Said Rigby: "We deplore the decision of the Trades and Labor Council in not joining the lobby and urge reconsideration of the decision not to participate."

Replied Birt Showler, president of the council: "I think it is definitely coming out now that the whole thing is a political manoeuvre led by a bunch from a foreign-controlled organization."

That gave Harold Pritchett, president of the International Woodworkers of America (CIO-CCL) and a former official of the provincial Labor Progressive Party, a chance to say: "The TLC membership will rally to this labor lobby, even stronger than ever in view of what's happened. Anyone who speaks against the lobby does labor a great injustice.

What labor wanted was a new provincial act which would protect its rights. There was no division over that. But what was causing the trouble was: how to go about it. Union moderates had been taken in by the extremists before. They didn't want the same thing to happen again. And time was growing short.

The proposed provincial labor act to replace PC 1003 had already been submitted to a Coalition caucus. In two weeks it would be introduced in the legislature. The 14-day interval was provided to give management and labor a chance to study it and make recommendations.

As it now stands, the draft bill follows closely the pattern of the new federal code which is to be submitted to Parliament this session. Labor generally feels the act doesn't go far enough; neither does management, but in the other direction.

B. C. management's chief demands are similar to those desired of the proposed federal law. Samples: secret, supervised votes before strikes and on any settlement offers when strike are imminent; publication of financial statements.

Observers believe the struggle will overshadow all other issues during the coming two weeks sittings of the legislature and may be a preview of what will happen on a federal scale when the proposed national code is considered in Ottawa.

• • •

Unfounded Charges Cost Union the Checkoff

Buried in a recent Board of Conciliation report on a dispute between two Ontario mine operators and the United Mine, Mill and Smelters Workers (CIO-CCL), is a stinging rebuke of the UMMSW which should be a signal warning to all labor against irresponsible statements.

The UMMSW reprimand hit where it hurts the unions the most and where it might do the most good—the pocketbook; the Board refused the checkoff because the union had "wilfully committed an act of impropriety and bad faith." But for this high-handed action, the Board might have recommended some form of union security, says a Department of Labor news release.

The union's blunder: In trying to refute the companies' claim of inability to pay demanded increases, it levelled what the Board described as "serious charges alleging, among other things, excessive stockpiling of high-grade ore and imputing what amounts to dishonesty and deceit."

There was no foundation whatever for these or other union assertions that the companies were apparently delaying production of high-grade ore until the demand for wage raises vanished or until higher prices could be obtained," the Board said.

The Board was unable to get any satisfactory corroboration for the accusations from the union; management of both companies denied the charges under oath. The Board even suggested an independent investigation but this was refused by the union.

• • •

Union Respect for Employer Essential in Bargaining

Unions which ask for the checkoff, the Board said, should at least convey the impression, if nothing else, that they are actuated by a spirit of fairness to an employer. Differences are to be expected but it is the duty of unions to respect the integrity and motives of management unless it could be proved otherwise. Without this tolerance there could be no "bargaining in good faith."

There is good reason to believe that the union tactics also had an effect on the Board's decision with regard to other demands. In any event, demand for time and half overtime was turned down in favor of a company comprise; a 16c. an hour wage increase was tossed out; instead of getting pay for three additional statutory holidays, pay for one was granted.

The lesson for labor was stated clearly in the report: One of the arguments in favor of a checkoff, as well as against it, is the degree of good will and confidence which exists between management and labor. In many cases Boards have recommended the checkoff and employers have accepted it largely because of a hope that it would materially improve industrial relations and facilitate the operation of a collective bargaining agreement.

• • •

Now Watchmen, Plant Police Can Join Unions

Watchmen and other employees, sworn in as special constables to protect industrial plants, are not "confidential employees," within the meaning of P.C. 1003, and therefore are free to join unions and be certified for collective bargaining. This opinion is given in an Ontario Labor Relations Board judgment on an application by the United Electrical Workers (CIO-CCL) for certification as bargaining agent for the watchmen employed at the Canadian Westinghouse Co., Hamilton, Ont.

It was an extension of a previous finding of the Board, which recognized the right of foremen to join unions. However, the application in this case was refused on the grounds that the petitioning union was not appropriate. Watchmen, the judgment said, bear a responsibility of a special nature toward their employers; and although those responsibilities do not put them in the class of confidential employees and so deny them the benefits of the regulations, they should not be members of a union of production employees.

This was believed the first decision in Canada which found plant police eligible for collective bargaining. The company argued that the men affected were not employees, in that a large number of them had been appointed special constables. The Board found they were not members of a police force within the meaning of the Labor Act and therefore were not excluded from the operation of the Act. The Board felt that appointment of some of the watchmen as special constables did not place them in the category of confidential employees.

It is understood the decision will be appealed to the National War Labor Board, as will be the previous judgment recognizing the right of foremen to join a union. (The Financial Post, March 1.)

• • •

Raises For Civil Servants Cost $5 Million Annually

More than 3,000 civil servants will receive salary increases as a result of a new agreement between the Saskatchewan Government and the Civil Service Association.

The agreement, which will run a year, will cost the province $600,000 in retroactive pay boosts back to May 1, 1946, and will cost an additional $1,000,000 in next year's fiscal budget.

The principle of equal pay for equal work regardless of sex, a five-day work week for office workers and a new classification and pay plan are embodied in the agreement. About 95% of the province's employees will benefit.

The agreement also provides for a three weeks annual vacation with pay, accumulated sick leave for extended illness to a maximum of one year, promotion within the service and overtime provisions. Civil servants at pres-

LEOPOLD S. LEE

a vice-president of Bruck Silk Mills Ltd., Montreal, has been appointed Managing Director of Bruck Mills (Australia) Ltd.

May Day to See Birth of New Communist Daily

Tribune to Publish in Tabloid Format on May 1 – Newsprint Supply is Biggest Unanswered Question to Date

Ever since the "Daily Clarion" was banned shortly after the outbreak of war, Canadian communists have had a second daily newspaper as their goal. On May 1, this year, they expect to reach it.

On that historic Soviet anniversary, the first issue of the "Daily Tribune" is scheduled to roll off the press. It will be a morning paper, tabloid size, sell for five cents and have two editions, an out-of-town mailing edition and a city edition.

It will be published in Toronto at 95 King St. E. This is the Ontario headquarters of the Labor Progressive Party and also the publication address of the existing "Canadian Tribune" the party's weekly organ which the daily will replace.

The big question is: where's the newsprint coming from? Every mill in Canada is already oversold. To supply the communist needs, an existing customer would have to go short which seems unlikely. A conservative estimate puts the monthly requirements of the proposed daily of 14-16 pages at 25 tons a month.

At least one attempt has been made to obtain supplies through a United States firm. It failed when the supplier found out where it would go. As far as could be learned, Canadian firms have not been approached, at least not in the name of the Daily Tribune.

Ads and Comics

The paper will carry advertising if it can get it and also comics (with social significance). Advertising salesmen are now making the rounds in the four major centres where the paper will circulate. They are concentrating on small, independent merchants. Large stores, especially department stores, are being ignored; so are advertising agencies.

Its objectives are stated in no uncertain terms: ". . . challenge the news monopoly of the anti-labor bilge peddlers . . . bust control of the local press gang (notably in Toronto, Montreal, Hamilton and Windsor)."

It is in these cities that the big drive is under way for funds with which to start the paper. However, Toronto is the rallying point. There the paper will be edited and printed. Other cities will get a "mailed" early edition; Toronto will get a late city edition.

The communists confidently expect to quickly reach a circulation of 20,000; 10,000 in Toronto; 5,000 in Montreal; the rest spread between Hamilton, Windsor and elsewhere. When the Daily Clarion was cut short in Nov. 1939, it had a circulation of around 15,000.

To finance the new daily, communists and communist sympathizers are being asked to "invest" in a $250,000 Daily Tribune Foundation Fund. Certificates cost $50 each. This, the "prospectus" says, entitles the contributor to have a voice in the paper's policy through the election of a board of trustees.

The campaign has been under way six weeks. Cash received so far amounts to $70,000. However, a recent financial statement claimed that this does not include pledges nor certificates being bought on the instalment plan. Together, these exceed the cash figure, the report says.

Ontario with $52,000 contributed is far ahead of any other province. Of the Ontario money, $21,000 came from Toronto and district. Next in order provincially, are: Quebec, $12,500; Manitoba, $1,925; Saskatchewan, $1,864; Alberta, $883; Maritimes, $310. Miscellaneous, $475.

One of the first to hand over $50 was the famed American baritone, Paul Robeson. An announcement in the Weekly Tribune said he bought his certificate while filling a singing engagement in Winnipeg. It added further that Robeson was coming to Toronto in May to help put the new paper over.

The paper will be printed by Ever Ready Printers, Toronto. Part of the money being collected will be used to buy a new rotary press to replace the old flat bed on which the Clarion was printed and on which the weekly Tribune is now being printed.

The editor will be Leslie Morris, present editor of the weekly paper and long time party member. Born in England, Morris came to Canada when he was a boy, had his first article published in the first Canadian communist organ, The Worker, in 1922. Later he became its editor, a job he held through its emergence as a daily in 1936 under the name, The Clarion, and right up to the time it was outlawed.

The paper will be managed by Annie Buller, 51-year-old veteran communist disciple. She holds the same position with the weekly Tribune.

ACME presents Free 'n Easy GLOVES

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Look for the Acme tab on every pair!

Windsor's New Industries Mostly of Canadian Origin

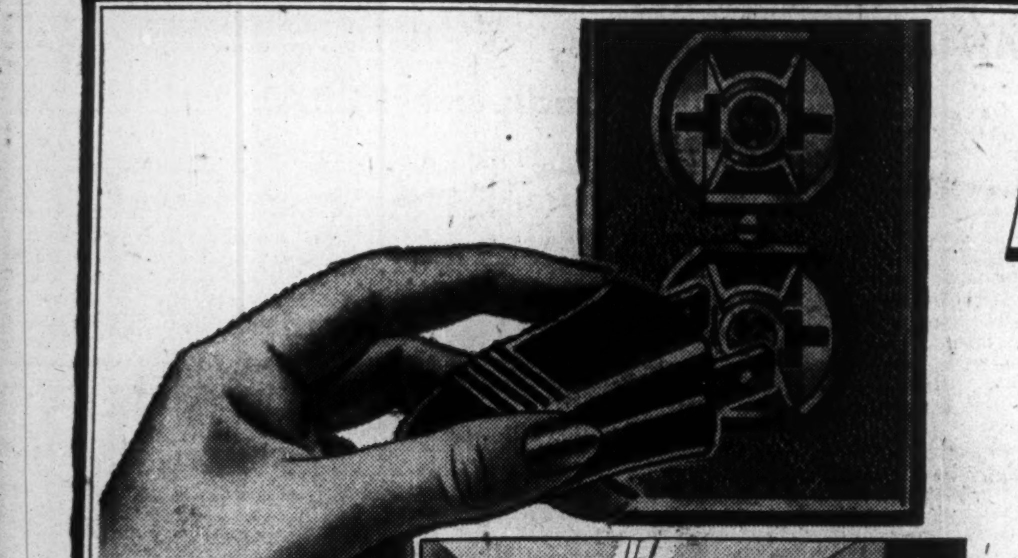
For Windsor, Ont., Detroit's young cousin and Canada's "most American city," industrial expansion in Postwar Year I surprisingly has been mostly of Canadian origin. Of 27 new industrial firms locating in the Windsor industrial area in 1946, only seven are from United States and of 44 in the past two years, only 10 are from there.

President R. H. Wilson of the Windsor Chamber of Commerce explains it in his annual report, just published.

1. Canadian capital has been more enterprising. Wartime advance of Canadian production techniques has encouraged manufacture of new and competitive goods on a wider scale for Canadian and foreign markets.

2. Movement of U. S. manufacturers into the Canadian field has not been as rapid as might have been expected; their attention has been claimed by excessive demand at home and by labor and production difficulties.

Windsor, which counted 42,700 industrial workers at war-peak four years ago—against 18,850 in August, 1939, and 23,700 during the pre-depression peak in 1929—must bid even more strongly for new industries, especially larger ones, to bolster declining employment (The Financial Post, March 1). One difficulty pointed out by Mr. Wilson is "lack of suitable manufacturing space" but, according to most property experts, this is not likely to be remedied until building costs slip from present peak.



ADEQUATE WIRING...

the first step to

Better Electrical Living

Enjoyable electrical living starts with the wiring system. Whether you're building, remodelling or just fixing up the house, look to the wiring. Ask your Electrical Contractor . . . Will the wiring system carry an electric range and water heater? Will it permit *all* appliances to work efficiently? Are there enough circuits to prevent overloading? Are there enough switches and outlets for convenience and comfort? When the answer is yes to all of these questions you will be able to enjoy to the full the economy and limitless pleasures of electrical living.

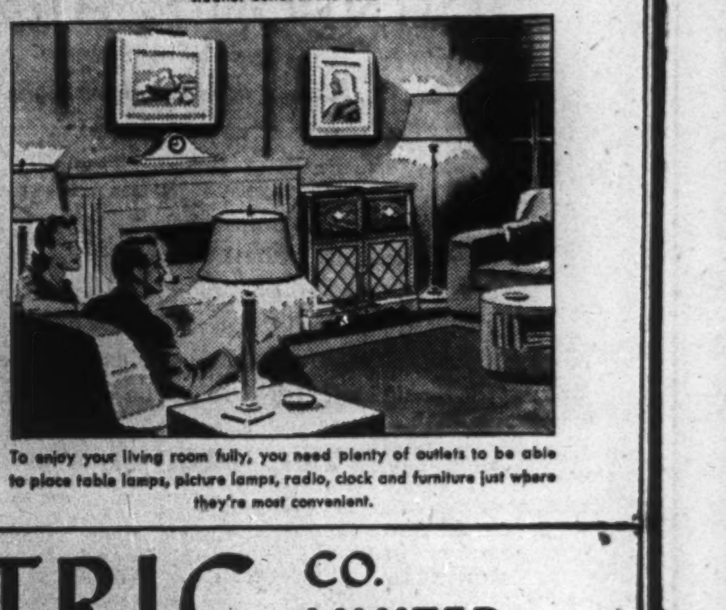
In the kitchen your wiring must provide for plenty of light on work surfaces and for convenient outlets for radio, mixer, kettle and all the other small appliances.

Plenty of light exactly where you need it is important in the laundry, too, and you'll need enough circuits to carry the washer, the electric drier and the ironer.

GENERAL ELECTRIC WIRING MATERIALS

You should make certain that all wiring is done with quality materials. Specify G-E products to your contractor. He will be glad to use only the best. The difference in cost between bargain wiring and that of the highest quality is a very small percentage of home cost. Your electrical contractor can show you why a first-class wiring job, with G-E wiring materials will save you money . . . why you won't need to think of the wiring system again for years . . . why it will serve without need for expansion . . . and why it increases the value of your house. You make sure of the very best when you specify General Electric Wiring Materials . . . known for years for high quality and dependable performance.

In the bedroom you will require sufficient outlets for bed and dresser lamps, electric blankets, clock and radio. Provide also for a vacuum cleaner outlet in the hall.



To enjoy your living room fully, you need plenty of outlets to be able to place table lamps, picture lamps, radio, clock and furniture just where they're most convenient.

CANADIAN GENERAL ELECTRIC CO. LIMITED

HEAD OFFICE - TORONTO

To
Montreal Light, Heat & Power Co. Shareholders

We have prepared a list of securities suitable for reinvestment of the proceeds from the sale of your stock.

A Copy Mailed on Request

Grant Johnston & Co

Members Montreal Stock Exchange
Members Montreal Curb Market
485 McGill St.
MA. 6194 Montreal

CHIEF ACCOUNTANT
for

Old-established electrical manufacturing and distributing firm.

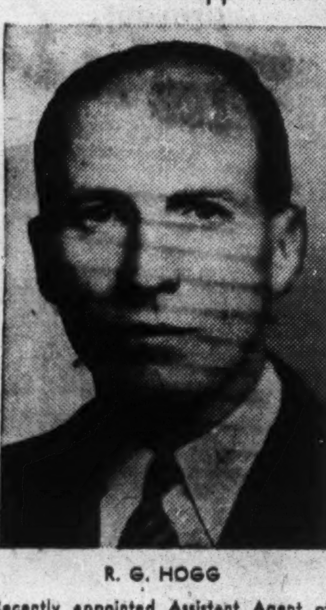
To take full charge accounts, credits and small office staff, do analytical work and prepare budgets. Ex-service and university-trained or C. A. preferred but not necessary. Age 25-35. Reside Toronto.

Must have experience and be definitely of executive type.

Excellent opportunity for keen young man to make a career in a growing business and become Secretary-Treasurer after a while.

Write fully in confidence to Box 91, The Financial Post, Toronto.

Dominion Bank Appointment



R. G. HOGG

Recently appointed Assistant Agent of The Dominion Bank, New York. Mr. Hogg entered the service of the Bank in August, 1926, was transferred to the New York Agency in May, 1928, and appointed Accountant at the Agency in November, 1938.

INVESTMENTS THIS WEEK

Brompton Report Shows Earnings, Debt Both Up

Brompton Pulp & Paper Co. is the first of the St. Lawrence Corp. group to report on 1946 operations. As its Red Rock project is said to have precipitated the battle for control of this group of companies (The Financial Post Mar. 8, 1947), financial circles scanned the annual report, (see page 18) with more than usual interest.

But those expecting to find some reference to the trouble were disappointed.

The report does reveal that the new kraft mill at Red Rock started operations in January, 1946 and produced 29,535 tons in the second half of 1946 as against 22,170 tons in the first six months.

Total cost of the Red Rock mill, exclusive of expenditures on woodlands developments, was $6,741,986 at Dec. 31, 1946, it is stated. An additional $958,042 has been spent on Brompton Lands Ltd., a wholly-owned subsidiary, formed to develop the townsite.

The capital outlay for the development of Nipigon timber limits stands at $625,782.

Consolidated fixed assets of the company total $15,754,710, nearly 70% higher than the $9,295,512 figure at Dec. 31, 1939. Depreciation and depletion reserves were up nearly 74% (to $5,790,986 from $3,332,034) in the same period and amount to 36.7% of the fixed assets.

Current assets of $5,801,374 are 2.1 times their amount of $2,764,678 at Dec. 31, 1939 and include $1,924,015 of bank loans (up from $1,100,000 a year previously).

Consequently, although working capital of $2,420,680 is up $427,198 in the year and about the same as the $2,419,651 reported for Dec. 31, 1939, the ratio of current assets to current liabilities is considerably weaker. (1.72 to one as against 8.01 to one). Further bank loans constitute 57% of current liabilities.

Funded debt now amounts to $4,475,976 as against nil in 1939.

This change in the financial picture is said one of the causes of the current disagreement. Further capital expenditures are contemplated which will add to the debt, it is pointed out.

On the earnings side, Brompton's net profit of $639,545 was nearly 2.1 times the 1945 figure and, except for the $845,732 figure in 1941, was the highest since 1929. Earnings included $259,797 transferred from reserve for inventories and contingencies. Higher prices plus a 46% jump in production (161,578 tons vs. 110,669 tons in 1945) would contribute to the better results.

Whether these results would have been better if the Red Rock project had not been undertaken, is not stated. This also may be a bone of contention.

* * *

Annual Reports

Massey-Harris Co. annual report presents its information in an attractive form. The remarks cover most phases of the business and are well illustrated by charts. A six-year comparison is given of the consolidated balance sheet. Factories, branches and distributing organization is listed, while pictures of the main plants gives some idea of their size. A map of the world illustrates the global nature of the company's activities. Sales figures are given for the first time and a breakdown is given back to 1941 as between war and nonwar business.

* * *

Moore Corp. annual report lists subsidiary companies, managements, plants and products and includes pictures of the principal plants. It recognizes the sales promotion value of its report by including a sample of a current advertisement and by picturing products on the inside of the front and back cover. A three-year comparative summary of earnings and of balance sheet is useful to the investors.

* * *

Expect Stock Split For Consolidated Press

Shareholders of Consolidated Press Ltd. will soon receive a notice calling a special meeting to ratify a proposal to exchange each of the present 50,000 Class A shares, no par value, for two new Class A shares and two Class B shares, The Financial Post understands unofficially.

As the new Class A shares will be cumulative, the present shareholders will, as a result of this change, receive a regular quarterly dividend which is expected to be within the capacity of the company to pay. It is also believed that dividends will be declared on Class B shares if profits permit, with the initial one likely in 1947.

New Class A shares are expected to be participating, so they will benefit whenever a dividend is paid on the Class B shares, it is understood.

Fiscal year of Consolidated Press Ltd. ends Mar. 31 and the annual report is expected to show net profits at a record high level, The Post understands.

Howard Smith Outlines Huge Expansion Plan

MONTREAL (Staff) — Plans for a multi-million dollar expansion program for Howard Smith Paper Mills have been announced by a company spokesman. Over a two-year period, plans provide for modernization of the Cornwall mill to boost production of soda pulp and fine papers. In addition, the laminated plastics pilot plant will be moved from Cornwall to Montreal where the company has purchased property at Ville La Salle. This will entail construction of a plant on the company's property, President E. Howard Smith informs The Financial Post. Cost of the undertaking has not been revealed.

According to latest available figures, Howard Smith Paper and subsidiaries have a combined annual capacity of 115,000 tons of bond and ledger papers, bristol boards, offset papers, book and litho, etc. Bleached soda pulp capacity is 34,000 tons a year, of which 26,000 tons is available for sale. At present fine paper manufacturers are running behind in filling the heavy demand for their products. Normally, the industry can meet domestic requirements for fine papers.

Probably the most significant feature of the announcement is the decision to commence large-scale production of "Arborite," the laminated plastic. This product has been nursed along at the Cornwall pilot plant and marketed in limited quantities. Decision of the company to increase production appears to indicate that "Arborite" has graduated from the experimental stage.

Important ingredient in "Arborite" manufacture is lignin, a soda pulp mill by-product. With an increase in soda pulp, it is likely that the company will have greater lignin supplies for laminated plastics production.

B.C. Pulp & Paper To Refund Bonds

A new and refunding issue of $6 million first mortgage 3½% bonds of British Columbia Pulp & Paper Co., is being offered by Royal Securities Corp. Issue consists of $2 million, serial bonds due Apr. 1, 1949 to 1955 which are being sold to the company's bankers and of $4 million 20 year bonds due Apr. 1, 1967, offered at $100 and accrued interest.

Proceeds will be applied to the retirement of the outstanding $2,795,000 6% first mortgage bonds and $1,294,300 7% general mortgage bonds which will be called for redemption on May 1, 1947 at $101 and accrued interest with the balance for general corporate purposes.

The prospectus shows a consolidated net profit for B.C. Pulp of $1,025,462 after income and excess profits taxes and bond interest

Brompton Director

Owing to the omission of a line of type, a news item in The Financial Post last week appeared to state that D. J. Salls was no longer connected with Brompton Pulp & Paper Co. Mr. Salls has been a director of Brompton for some years and has not resigned. The report should have read that P. H. Scowen was a director and general manager of Brompton but is not connected with it now.

TORONTO MUTUAL LIFE INSURANCE CO. reports a gain of 46% in new business written and of 13.6% in business in force in 1946. Total income at $682,908 was $47,558 higher, while policy payments, total assets and surplus were all higher. Of the total assets, 50.3% is in cash and government bonds and 20% in other bonds.

	1946	1945
Insurance in force	$17,096,148	$14,976,797
New insurance	3,840,185	2,636,471
Total income	682,908	635,350
Policy payments	190,360	174,442
Liabs. to pol'holders inc. policy res.	2,545,580	2,335,123
Other liabs.	52,231	41,064
Spe. reserves	90,000	85,000
Total assets	2,776,104	2,542,048
Surplus	88,313	80,841
Int. earned	3.81%	4.06%

DOME MINES reports bullion production of $450,518 from 45,800 tons milled, an average recovery of $9.84 in February ($450,991, average recovery $9.36 in January).

Canadian View On World Bank Gains Support

Reorganization Seen Endorsing Canada's Wish For 'Bankers' Bank'

OTTAWA (Staff) — Reorganization of the World Bank under John J. McCloy and inclusion of Graham Towers as Canada's executive director represents an important swing back to the Canadian view as to how such a bank must be run.

When the bank was first organized at Savannah in 1945, both Canada and the U. K. urged very strongly that the bank's headquarters be New York rather than Washington. Basis of this argument was that the bank would have to float securities and establish a basis of operations among bankers rather than among politicians.

Henry Morgenthau, Jr., then head of the U. S. Treasury, argued in favor of Washington as the headquarters of the bank. Argument against this position proved futile in view of the voting blocks which the U. S. plus most South American countries were able to muster. The head office went not to New York but to Washington.

Meanwhile it has become clear that the Canadian and British view about "Wall Street" support was well taken. In short, in order to get the bank successfully floated, it has been necessary for the United States to so reorganize top-bracket management as to convince Wall Street that the bank is, in effect, a sound banking proposition and not merely another "political" medium for provision of credit to needy lands.

The very fact that Wall Street has interpreted the McCloy appointment in this way is taken as evidence that the original view expressed at Savannah by U. K. and Canada was the proper one, even though the physical headquarters of the bank is still to remain at Washington.

FRY RED LAKE MINES advises that diamond drilling is progressing.

ATTENTION SALES MANAGERS

Do you require a reliable representative? One free to travel. Sales, accounting, administration, and general business experience. Best references etc. Particulars confidently forwarded on reply.

BOX 93, THE FINANCIAL POST, TORONTO

An Essential Service

Established more than seventy-seven years ago, the business of Standard Fuel Co. Limited is one of the largest organizations distributing coal, coke and other fuels in Ontario.

Earnings of the Company in the fiscal year ended April 30th, 1946, including refundable portion of excess profits taxes, available for Preferred dividends, amounted to $107,015. Present Preferred dividend requirements amount to $45,000 per annum. We offer as principals:

Standard Fuel Co. Limited
4½% Cumulative Preferred Shares
(Par Value $50)
Price: $51 per share, yielding 4.41%

Descriptive circular forwarded upon request.

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Limited
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Ottawa Montreal New York Victoria
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Are your investment dollars *really* doing their share? Have you consulted competent financial advisors recently regarding *your* portfolio?

We cordially invite you to make use of our broad experience and knowledge in a personal analysis and discussion of your investment problems. The complete facilities of our organization are at your disposal in putting every investment dollar to most effective employment.

Please feel free to consult us.

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City of Montreal

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(1947 Canadian currency refunding issue)

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When fire and casualty insurance losses are heavy—as they have been recently—policyholders' claims grow larger, their efficient collection is more important, and loss prevention becomes an even more vital management objective.

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THE PREVAILING FACTORS
In Western Canada's Market

MORE THAN 64% of all homes in Western Canada are RURAL

Living in Towns of less than 1,000 — or living on farms

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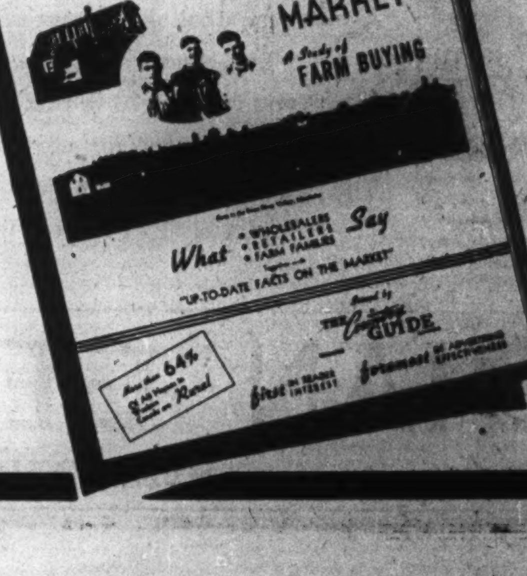

Have You Received Your Copy of The Guide's 1947 Edition of
"THE WESTERN CANADIAN RURAL MARKET"

An up-to-date summary of a continuing Study of Farm Buying Habits, with factual information secured from jobbers, dealers and consumers, latest available statistics on farm income and purchasing power, and other pertinent data of importance to everyone interested in promoting sales in Canada, West of the Great Lakes.

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Canada's Largest Monthly Rural Magazine

THE difference between the Toronto General Trusts and a friend as your executor is the difference between an organization engaged in the day-to-day business of administering estates and a newcomer having to learn about it. Appoint this trust company and choose experience.

THE
TORONTO GENERAL TRUSTS
CORPORATION

Head Office: 253 Bay Street, Toronto

MANAGING ESTATES SINCE 1882

Managed Investment

Consol. Lithograph Mfg. Attracts Compton's Bid

Compton's manager has received the following letter from a prominent Canadian investment house:

"We note that the Compton account holds 35 shares of Southam and thought that you might like to consider a switch into Consolidated Litho which, apart from the publishing end, is in a similar line of business. The following comparison is interesting":

	Cons. Litho	Southam
Business established.	1863	1877
Funded debt	nil	$4,830,000
No par common stock outstanding	60,000	750,000
Approx. curr. mkt. ..	$17.50	$18.00
Annual dividend	.76	.76
1945 per share earns.: (excl. ref. EPT) ...	1.70	.97
(incl. ref. EPT) ...	1.86	1.22
Current market times 1945 earnings: (incl. ref. EPT) ...	9.4	14.7
10-year aver. earns. per share	$1.40	$1.04
Times divd. earned in 1945	2.44	1.60
Equity per share	$14.80	$6.40
Working capital ratio	11.03—1	3.30—1
Net work cap. per sh.	$11.12	$4.22

"The annual report for 1946 operations has not yet been published. It is expected, however, that earnings will well exceed $2 per share, so in view of the stable record, chances for an increase in the dividend are bright."

Compton's Manager Says:

The suggestion deserves serious consideration; and we are pleased that our attention has been drawn to a new investment offering, which had escaped our attention.

In view of the latter company's record of earnings, balance sheet, and future prospects, we have put in a moderate bid, on your account, for some shares of Consolidated Lithographing. If, as, and when the shares are purchased we shall sell, temporarily, a corresponding amount of Dominion bonds.

Guaranty Trust to Purchase Capital Trust Corporation

Guaranty Trust Co. of Canada will purchase the business, undertaking, property, assets and goodwill of Capital Trust Corp. for $1,506,540 cash, it is announced by the two companies. This is equivalent to $170 for each issued share of the Capital Trust Corp.

Special meetings of shareholders of each company are being called for Apr. 30 to submit the agreement for approval and ratification.

It is estimated that combined assets will approximate $50 millions. The amalgamation will bring together the oldest and largest trust company carrying on business in the Ottawa Valley, and Guaranty Trust Co., which began business in 1925 at Windsor and which in subsequent years has extended to Toronto, Niagara Falls, Montreal and Sudbury. The amalgamated business will continue under the name of Guaranty Trust Co. of Canada, but head office will move from Windsor to Toronto. Staff of both companies will be continued.

Application is being made for increase in capital stock of Guaranty Trust Co. of $500,000 to $1 million, of which 3,000 shares will be made available to Capital Trust shareholders.

CANADIAN GOVERNMENT
PROVINCIAL AND MUNICIPAL
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Export Markets For Cdn. Aircraft Opening Up Again

Although still plagued by foreign exchange difficulties, the export market in aircraft is again opening up, several Canadian aircraft officials informed The Financial Post this week.

Both DeHavilland Aircraft of Canada and Fleet Mfg. & Aircraft report substantial orders from Brazil, Argentina, South African countries, Australia, India, United States and England. Several European countries also wish to place sizeable orders with Canadian aircraft firms, but so far, government officials in these countries have shown little inclination to loosen cherished U. S. and Canadian dollar credits for purchase of aircraft.

Fleet Mfg. & Aircraft announce orders this week for eight Canuck personal planes for a private firm in Buenos Aires. This makes 19 on order for Argentine now, it is stated. Australia also placed orders for an additional two planes this week.

DeHavilland reports seven of their trainer type model, the Chipmunk, already en route to India, South Africa, South America and England. Exchange difficulties are holding up many more shipments at the moment.

HERBERT W. B. BOYNTON

Vice-President of the Toronto Mutual Life Insurance Company, who reported on Investments at the Company's Annual Meeting on March 10th, 1947.

Hotel Companies Plan Buildings at Sarnia

From Our Own Correspondent

SARNIA—Purchase of a site overlooking the St. Clair River here has been followed by announcement that Fischer Hotel Co. will erect a 100-room class "A" hotel here at an estimated cost of $750,000. Construction is expected to begin early in the spring.

Ford Hotel Co. and Lambton Hotel Co. are also reported negotiating to build here.

Saskatchewan Budget Up See '48 Surplus $19,987

From Our Own Correspondent

REGINA—A tax increase of two cents a gallon on gasoline and removal of the education tax from a small number of items are tax highlights in the Saskatchewan budget for 1947-48, largest in the province's history.

The budget also indicates a $2 increase in the old age and blind pension, to a maximum of $30, starting April 1.

The province is budgeting for revenue of $45,591,101 and expenditures of $45,571,114, leaving an estimated surplus of $19,987 (for 1946-47, revenue, $40,031,335; expenditures, $39,996,889; surplus $34,446).

Taking into consideration expenditures on telephones and other capital accounts, the gross budget for the coming fiscal year totals $58,097,800, compared with $52,761,595 for 1946-47.

Among principal increases are an additional $1.3 million for education; $1 million for highways and $800,000 for agriculture.

The education tax will be removed from drug prescriptions, patent medicines, soaps, cleansers, secondhand goods, weed control chemicals, weed sprayers and animal feeds. Approximately $300,000 annually has been derived from these sources.

The 2c. increase in the provincial gasoline tax will make a total of 10c. a gallon to the motorist. The tax has been 11 cents but this includes a 3c. wartime tax which the Dominion will drop March 31.

Mr. Fines said the Government would not be able to go any further in the extension of social services and economic development unless the legislature is prepared to find some new source of revenue. He disclosed that the Government is considering entering the pipeline industry as a common carrier for natural gas, found in quantity this year in the Lloydminster and Unity fields.

Highway Program

The Government is boosting highway expenditures from $5.6 millions to $6.9 millions. All revenue from the additional gasoline tax will be used for highway construction.

The province will make available for education an additional $1.3 millions rather than totally abolish the education tax and be "forced to reduce our expenditures," the treasurer said. The needs for education "far outweigh the political advantage to be gained by abolishing the tax," he added.

Net debt of the province has been reduced by $26,580,141 since April 30, 1944. To this amount, Mr. Fines said, may be added $44 millions by which the treasury bill indebtedness will be reduced as a result of the tax settlement with the Dominion.

The market for Saskatchewan bonds continues to improve, he added. Two years ago 5% bonds due in 1958 were selling at 9½. They had risen to 113 a year ago, and at present are selling for 116.

CHARTERED ACCOUNTANT

Desires position as Comptroller, Treasurer or other executive capacity with progressive concern. Wide experience in all phases of accounting, internal and public auditing, management, finance, Government returns. Married man, 40 years of age, bilingual, willing to travel or locate anywhere in America. Inquiries treated in strict confidence.

BOX 88, THE FINANCIAL POST, TORONTO

Check the Price Range of Your Securities

In reviewing your securities, it's interesting to know their reaction to market trends over a term of years — in good times and bad. We have available a booklet "High and Low" which presents the price range of listed securities for 1929-1946 inclusive. Check your present holdings or proposed purchases against this comprehensive market record. Write for your copy of "High and Low"; it will be sent promptly on request.

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FOR SALE

Central School, City of Chatham, Ontario

The Board of Education invites tenders for this very valuable building and grounds, which are located almost in the centre of the business section of the City. The school is a three storey brick building, well built, heated, ventilated, and lighted, and is at present in use as a school, housing 700 pupils.

Sealed tenders will be received until noon, April 22, 1947, and should be sent to—

Dr. H. A. Tanser,
Inspector-Administrator,
Board of Education,
Chatham, Ontario.

The highest or any tender not necessarily accepted.

Manitoba Power Reaches New Peak

From Our Own Correspondent

WINNIPEG — Biggest gross income, $2,312,885, and biggest net profits, $484,860, were reported by the Manitoba Power Commission in its report, for its fiscal year ended Nov. 30, 1946.

Loss of wartime business, principally of large blocs of power for airfields and military training centres, was more than made up by addition of new services through extension of the rural electrification program. At end of the year the Commission had 31,760 services connected with its system as compared with 27,170 at end of the previous year, an average increase of more than 12 a day throughout the year.

Volume of power sales was 6.02% higher than 1945. The report showed an increase in average consumption of electric energy for all classes of service and an encouraging number of new industrial loads as well as increases in the installed capacity of existing loads. Existing loads already require major additions to the capacity of the transmission system.

Hold U. Tower Offer Open Until May 1

MONTREAL (Staff)—A syndicate headed up by Maxwell Cummings and Stanley Vineberg, Montreal, has offered to pay $636,780 for the outstanding common capitalization of University Tower Corp., owner of University Tower Building, Montreal.

Offer was made recently to Hanson Bros. Investments, holders of a majority of the common stock and was accepted on condition that a similar offer would be made to holders of the balance of the shares. This offer, which works out to $7.37½ per share, will be held open to all shareholders until May 1, 1947. University Tower has an authorized capital of 90,000 no par value common shares of which 86,343 shares are outstanding.

EAST SULLIVAN MINES reports that main crosscut on 450-ft. level was stopped at 304 ft. south of the shaft and driving east and west of the main haulageway started in February. These drives had advanced in mineralized wall rock 33 and 45 ft., respectively at month end. A flat drill hole, drilled south from crosscut, located the ore body and confirmed values obtained in surface hole No. 31. Crosscut on 300-ft. horizon was advanced to a point 185 ft. south of the shaft and preliminary work on the station at 150 ft. continued prior to crosscutting. A bid has been made to War Assets Corp. for a steel building 130 ft. by 1,000 ft. suitable for the proposed mill. The structure would be large enough to house almost all of a complete 5,000-ton plant.

HYDRO-QUEBEC

announces that it is mailing to shareholders of Montreal Light, Heat & Power Consolidated a Letter of Offer dated March 6th, 1947 to purchase their shares at a price of

$25 per share.

The following is a summary of the main features, which are more fully set out in the Offer and accompanying Letter of Transmittal.

SETTLEMENT — Option A — payable in cash.
Option B — payable in Hydro-Quebec 2% 10-Year Debentures, guaranteed by the Province of Quebec.

DEPOSITARIES — Shares to be deposited at any branch of any chartered bank in Canada.

LIMITATIONS — The offer will become effective only —

(a) if a majority of shares is deposited with said banks not later than 4.00 P.M. Eastern Standard Time, on April 10th, 1947;

(b) if, prior to that date, the Commission is satisfied and decides that no substantial adverse change in the financial position of Montreal Light, Heat & Power Consolidated has occurred since April 14th, 1944, and that the operations of that Company have been conducted regularly and in the ordinary and normal course of business since that date;

(c) if share certificates are in good and valid delivery form acceptable to Montreal Trust Company.

For further particulars as to the Offer and Letter of Transmittal, apply to any branch of any chartered bank in Canada.

QUEBEC HYDRO-ELECTRIC COMMISSION

New Issue

$1,000,000

Verney Mills of Canada Ltd.

(Incorporated under the Laws of the Dominion of Canada)

4½% CUMULATIVE REDEEMABLE PREFERRED SHARES

(Par Value $50 per Share)

Preferred as to assets and dividends over other classes of stock and entitled to fixed cumulative preferential dividends as and when declared by the Directors at the rate of 4½% per annum, cumulative from April 1st, 1947 and payable quarterly on the first days of January, April, July and October in each year by cheque at par at any branch of the Company's bankers in Canada. Redeemable as a whole, or in part by lot, on thirty days' notice at $52 per share plus unpaid accumulated dividends accrued thereon to the date of redemption. Subject to redemption at $50 per share plus unpaid accumulated dividends through operation of the sinking fund. Preferred to the extent of the redemption price plus unpaid accumulated dividends in the event of bankruptcy, dissolution or winding up. Non-voting except when unpaid accumulated dividends shall equal or exceed six (6) quarterly dividends, when each share will be entitled to one vote.

Transfer Agent and Registrar: Montreal Trust Company, Montreal and Toronto.

An annual sinking fund commencing May 1st, 1948, equal to 15% of the net earnings of the Company (as defined in the provisions attaching to the preferred shares) is to be provided for the purchase or redemption of 4½% Cumulative Redeemable Preferred Shares.

CAPITALIZATION

(After giving effect to the changes as set out in the official prospectus)

	Authorized	To be Outstanding
4½% Cumulative Redeemable Preferred Shares, $50 par value	$1,500,000	$1,000,000*
Common Shares without nominal or par value	72,000	66,000

*The balance of the authorized Preferred Shares are issuable only upon compliance with the earnings requirements as set out in the official prospectus.

The Company was incorporated in 1924 under the name of Carl Stohn of Canada Limited and has carried on business since then. In May 1944 all the shares of the Company were acquired by the Verney Corporation and its name was changed to Verney Mills of Canada Ltd. A wide variety of fabrics is manufactured at the Company's plant in Granby, P.Q., situate 45 miles east of Montreal. These include drapery material, furniture covers, corset material consisting of lastex, plain and jacquard materials, swim suit fabrics, shoe cloths and rain-wear.

We, as principals, offer these 4½% Cumulative Redeemable Preferred Shares for delivery if, as and when issued and received by us, and subject to the legal approval of Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker, Counsel for the Company, and E. R. Parkins, K.C., Counsel for us.

PRICE: $50 PER SHARE

A prospectus, of which a copy has been filed with the Secretary of State of Canada in accordance with the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

It is expected that certificates in definitive form will be available for delivery on or about April 1, 1947

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal
Branches in the principal Cities of Canada

380A

The Key to Prosperity

Because we became a great deal more industrialized during the war many people seem to think that we must be far less dependent on export trade for our general prosperity. That sort of thinking may lead to serious trouble, first because it is not based on fact, secondly because so long as we have to export even a small proportion of our output it is the export portion that sets the general price level.

It is perfectly true that we did increase industrial production during the war and increased it substantially. It is also true that during the same period we started to make many things we formerly had to import. But the biggest expansion of all was in industrial and processed goods that go largely into export trade, things like aluminum, copper, and other metals, chemicals, lumber, newsprint, cheese and bacon. Canadian consumption of these runs as low as 10% of our total production. Actually the old pre-war wheat economy we hear so much about, was not as dependent upon export trade as the new one we have developed.

To keep our new capacity for these and other goods we need at least twice the volume of our pre-war export trade. And whether that proportion is exactly 35% of our total production or capacity is beside the point, as is also the areas that produces it. It may be considerably more or considerably less than 35% but it is the vital portion so far as prosperity is concerned. Any businessman knows that all profits come from the last production sold. The rest goes into overhead. If he has a 100 units to sell, he may have to sell 90 before he has a chance to break even.

And this export is a matter of concern to everyone, not just the one in three, or whatever the proportion, directly involved. The export portion of any business cannot be segregated from the other.

If the newsprint mill producing for export is not prosperous, then the whole newsprint industry suffers and with it the vast general business that depends on supplying the newsprint industry with raw materials and equipment or on the purchasing power of newsprint workers. Without exports we will have nothing to pay for imports and without imports of key materials and equipment not a single modern Canadian industry could survive, let alone a modern standard of living.

In this complex world no single factor is more important to Canada's future prosperity than a thriving export. This country has an enormous stake in the conferences called in London and Geneva this spring to set a pattern for postwar trade.

More Information Wanted

Surely there is further light to be shed on this heavy bill for repairs to veterans' houses. Hon. Ian Mackenzie, the responsible minister, has informed parliament that it will cost approximately $700,000 to repair the 2,600 houses, his department has had built for former servicemen in the last two years.

Even assuming that this money is spread evenly over all the VLA houses, it seems strange indeed that so much defective work could have been passed by the small army of inspectors and supervisors the authorities have employed. A repair bill of $270 is much too heavy on a house only a few months old. One wonders what the maintenance will be 10 or 20 years hence.

And it is possible that the average bill may be very much higher. If the loss is confined to those houses built in large groups and not by the individual veterans then the average per house may run over $400, which would seem to be an inexcusable figure.

This whole matter of veterans housing is worth careful investigation. There have been many complaints. It is no secret that in the large scale projects especially, costs have been much higher than the veteran anticipated.

Progress too, has been slow, especially in sidewalks, streets and grading which must be provided before the occupants can enjoy normal living conditions. When first projected these mass developments were to be planned garden villages, a residential asset to any community lucky enough to get one. So far there is little indeed of any garden aspect, but in their drab uniformity of structure, and lack of landscaping too much of the potential rural slum.

Is Exchange Crisis Looming?

Publication two weeks ago by The Financial Post of a provocative article on Canada's foreign exchange position has brought into the open a matter of utmost importance to every business and citizen.

In a word, Canadians have been bluntly reminded by an independent U. S. observer that they are living in an artificial position in regard to the United States dollar. This warning underscores and elaborates that given recently by Graham Towers of the Bank of Canada. It gives point to new figures showing that Canada's adverse trade balance with United States increased sharply in 1946.

Even after allowance for gold shipments and a favorable balance on tourist account, we were still $350 millions short of balancing our imports. This compares with a favorable balance of $200 millions in 1945.

Because Canada must sell "on credit" in overseas markets, while at the same time incurring a substantial cash deficit in her balance of payments with the United States, the question has been raised whether or not an actual "crisis" has arisen, and whether Canada may be forced to put the Canadian dollar once more at a discount in terms of U. S. currency.

Whether or not such a drastic step may be necessary, Parliament might well ask why the delay in bringing this serious matter to public attention. Is it necessary to have a six-months' lag in disclosing operations of our foreign exchange control board.

As the law now stands, the board need not report to the Government until five months after the close of the calendar year. There is then a 15-day period before this report need be tabled.

This should be revised and information regarding our foreign exchange control made available as readily and often as information on ordinary trade. There are only a few things that interest the citizen more than the value of his dollar, and he is not going to like it if some long-brewing crisis is thrust on him without warning.

Gilding the Lily

The Federal Government was ill-advised last week to publicize its 1947-48 estimates as representing "a decrease of over $906 millions" from the total estimate of the current fiscal year.

Technically the government statement was correct.

But in actual fact this statement is far from a proper interpretation of the true picture.

What has happened is that government estimates of last year (about $2.9 billions) proved to be greatly inflated. Actual expenditures will not be known for another month or two, but in the first 10 months of the year total spending was only $2 billions, with monthly costs running about $175 millions monthly. Even assuming a full additional month's bills to be added in April (government accounts stay open until about 30 days after the books close) it is hard to see how total outlay for the year will exceed $2.5 billions.

On the other hand, the estimates tabled last week in the house are only preliminary. They include, for example, no reference to the expected cost of tax transfer agreements with the six provinces which have said "yes" to the latest federal offer.

Technically, the Government can't count this as an expense until individual provincial legislatures have approved the agreements. But the Federal Government in its published statement last week made no reference to it. It merely put down $14 millions for traditional statutory subsidies and $62 millions for the "holdback" of tax payments under the expiring wartime tax agreements, and let it go at that. Not a word about the extra $63 millions it knows it will have to pay during 1947-48 on this account.

In short, the Government well knows that its estimates are entirely preliminary and are not comparable to the totals for last year. It also knows that both preliminary and actual figures last year proved 15 to 20% too high, partly because goods and services were not available, a type of "surplus" that will not likely be repeated.

Rightly, the Department of Finance is proud of what it has done to cut back departmental spending for 1947-48. But it is building up illusory expectations as to tax cuts when it officially publicizes the idea that government spending in 1947-48 is being reduced by $900 millions.

Freight Rate Hearings

At Ottawa the much-discussed freight rate hearing has finally got under way.

Although its primary purpose is to deal with the railroads' application, the hearing is likely to cover much more ground than this. Ever since the application for an increase was announced spokesmen for the western and Maritime provinces have raised a hue and cry against it. So far the provinces appear to be uncertain whether the railroads should have no increase or a smaller one than asked for. They are definite, however, that an increase, if granted, should not be across-the-board.

On the other hand, most observers agree that the railroads have established a prima facie case for an increase. Whether or not they need 30% is another matter and one for the Board of Transport Commissioners to decide.

This whole freight rate question cannot and will not be decided equitably by easy generalizations. It is not enough for some provincial spokesmen to say the railroads do not need an increase. Nor is it enough for others to hold the railroads suspect because one of its members (CPR) represents private enterprise. Canada's railroads represent a very large part of our economy and if they cannot be operated without big yearly deficits, it is all Canada that will suffer; not the private corporation.

Should Study Our History

Have you recently read a Canadian history? Have you read one since you left school?

The answer of perhaps 98% of Canada's adults would be no, which is regrettable.

We conscientiously recommend as a heartening and pleasant exercise reading an adult report of Canada's national developments like that just provided by A. R. M. Lower, Winnipeg.

Illuminating, engrossing and witty, this book by one of Canada's most distinguished historians, is entitled "Colony to Nation" and is published by Longmans Green. We recommend reading a volume such as this because candid self-examination will show most of us that our ignorance of Canadian developments, of how our country got this way, is poor to abysmal. The reading of history is an occupation for adults in years, experience and mentality. Without some practical experience of how society operates and gets its work done, the political and other battles, the failures and achievements generations ago are inevitably pretty meaningless.

The Canadian who hasn't looked into his history since he left school or university will, therefore, find Canada's story as told in this book very fresh, unexpectedly interesting and full of significance for today and tomorrow.

There are a good many excellent reasons for adults reading adult histories of their country periodically. One of the most comforting reasons was one stated by the U. S. General Lee. He said: "The march of Providence is so slow and our desire so impatient, the work of progress is so immense and our means of aiding it so feeble, the life of humanity is so long and that of the individual so brief, that we often see only the ebb of the advancing wave and are thus discouraged. It is history that teaches us to hope."

Pass the Hat

Pass the hat for Canada's poor butter producers.

A benevolent Government has long granted them an absolute monopoly. Margarine, a wholesome substitute that can be used when you can't get butter, is barred by law in Canada, though not in United States, Britain, or even in dairy-prominent Denmark.

The Government has also placed a stiff tariff against imports of butter, though it did let in a little from New Zealand the other day when it was either that or again cut the ration.

And that is not all. During and since the war Ottawa has chipped in with a nice fat subsidy of 8½c. for every pound of butter the Canadian producer is able to sell.

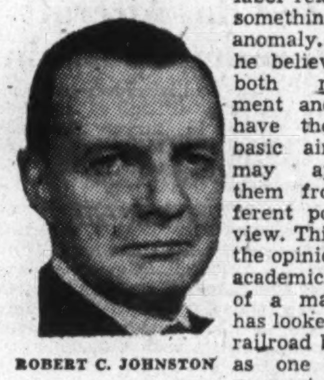
With that sort of attention and assistance one would think that banana growing could be made profitable in Canada. But spokesmen for the butter makers say no, it only leaves them discouraged, and fearful of the future if the slightest competition is permitted. Monopoly, protection and subsidies apparently aren't enough. So let's pass the hat and be thankful for the tiny pat of butter for our morning's toast.

Post Scripts

Labor-Manager

It isn't often that a corporation picks a member of a collective bargaining agency to head up its labor relations department. But that is what happened when Robert C. Johnston was recently appointed director of labor relations for Canadian National Railways. He is a member in good standing of the Order of Railway Telegraphers and can produce his gold inscribed membership card for any who care to see it.

Bob Johnston does not agree with those who might think that a member of a union who is also a director of labor relations is something of an anomaly. He says he believes that both management and labor have the same basic aims but may approach them from different points of view. This is not the opinion of an academician but of a man who has looked at the railroad business as one of its greenest employees (station agent's helper) and as manager.



ROBERT C. JOHNSTON

Johnston's interest in railroading began in 1897 at the age of nine. One day he was seated atop a load of hay beside his father. While the bales were loaded into a boxcar at Beaverton, Ont., on Lake Simcoe, young Bob poked around the station yard. Through an open window of the station office he heard the sound of the telegraph key. To satisfy his curiosity the station agent explained the mysteries of telegraphic communication as best he could. It was then and there that he decided to become a telegraph operator.

It was another 10 years, however, before Johnston actually started his career on the railroad. His first job was with the Grand Trunk Railway as station agent's assistant at Novar, Ont. Besides doing his regular work of sweeping floors, shovelling snow, handling freight, he took every opportunity to practice on the telegraph key. He and another apprentice down the line would send messages back and forth whenever the lines were clear.

From this starting point Johnston moved up to telegraph operator and agent until he balanced with our agent at Montreal in 1919. He was promoted to superintendent of terminals in 1926 and to general superintendent, Montreal district, in 1939. This by the way was one of the railroads' hot spots during the hectic war years. In 1944 he was appointed general superintendent, southern Ontario district and assistant general manager, central region, last March.

As a senior officer of the operating department, solid-looking Robert Johnston has dealt directly with union representatives in many district and regional labor matters. In his calm, soft-spoken voice he compares the labor force to steam in a locomotive—"Just as the energy in steam must find some outlet so must labor." For this reason Johnston is in favor of any organization which will provide such an outlet.

Johnston says he doesn't confine himself to an eight-hour day and business associates say they think it is closer to 18. For diversion, however, he likes a good game of bridge and hunting and fishing when he has a chance to get to the backwoods. He is married and his wife, the former Mary Battley, is the daughter of a Stratford, Ont. locomotive engineer. Mr. Johnston is a member of the Empire Club, Toronto, an executive of the Canadian Railway Club, and a member of the Association of Railway Superintendents.

* * *

Property Expert

F. H. Bacque takes the presidential helm in Canada's largest and most aggressive local association of real estate brokers, Toronto Real Estate Board. Founded in 1920, it has 375 members and associates. It pioneered the co-operative listing of property for sale and was instrumental in framing a national brief believed to have influenced Ottawa's recent decision to ease the ceiling on commercial rents.

F. H. BACQUE

Frederic Harold Bacque, 55, Toronto-born, is an acknowledged authority on commercial property management and markets, keen proponent of extension to all provinces of legislation registering real estate brokers and regulating their services and fees.

Son of a French-born, English-educated public service gas engineer who came to Canada and Three Rivers in 1885, and who married in Toronto, Fred Bacque himself came within an ace of a career in science. After Bishop's College School, Lennoxville, he went to McGill University at Montreal for a year of electrical engineering, spent a summer or two in big automobile factories, still likes to tinker with machinery.

In 1914 he went overseas at 22 as a Royal Montreal Regiment private, saw service in France, was discharged in Toronto in 1920 as Royal Air Force captain after over a year in hospital. That year he married. That year, also, still machinery-minded, he joined Canadian Milk Products (since absorbed by Borden Co.) as assistant production manager. But he swung to real estate only a year later, forming F. H. Bacque & Co., which in 1928 in partnership with Robert Hay became the present Bacque, Hay & Co.

World War II found him among the Toronto-Ottawa commuters as assistant for a time to Defense Dept.'s real estate adviser.

Bacque is managing director of Commercial Lands & Buildings Ltd., builder, owner and operator of the Atlas office building in downtown Toronto; promoted erection of Royal Trust Building and other projects; is a director of Anglin-Norcross Corp., one of Canada's largest construction contracting firms, and a director of Canadian Association of Real Estate Boards.

An Anglican and Conservative, his clubs include Toronto, Beaver Fishing, Badminton & Racquet, York Downs Golf & Country, all Toronto. He golfs around 95, fishes early and late at his Georgian Bay summer place, but has been letting gardening interfere with his badminton. Russian pool is another Bacque enthusiasm.

The Bacques have five children, the three oldest all veterans of the last war.

Stop Me If—

"So you deceived your husband!" exclaimed the judge.

"No, your honor," was the reply. "He deceived me."

"Explain, please."

"He said he was going out of town and he didn't go."

* * *

Cop: "Have you a warning signal on the front of your car?"

Girl Driver: "Yes, sir, I have a little sign that says 'Dodge.'"

—Cartoon by Grassick.

What Others Are Saying

Editorial of the Week

Our Stake in Britain

Winnipeg Free Press

A proud people, the British refuse to beg. But the United States and Canada, the only nations capable of any large measures of assistance, will be blind not only to their moral obligations but to their own selfish interests if they permit Britain to sink into disaster. A collapse in Britain after the foreign loans run out would drastically reduce the British market for our goods, would destroy the present plan to restore world trade but would have much graver consequences than that. These are well summarized in the New York Times when it says: "The consequences to us of such a void in the economic and political universe in which we live are as alarming as was the fear of British defeat which impelled us to help Britain long before we were forced into open war. . . . The gravest threat to the democratic system now lies in the discouragement of democratic peoples."

For obvious economic reasons, for the deeper political reasons mentioned by the Times, the United States and Canada will richly deserve the consequences if they permit the loans to run out before Britain is able to live on its own resources. If it becomes obvious during the next year that Britain cannot make good the terms of the loans for reasons beyond its control (and perhaps because the terms were impossible of fulfilment in the first place) then the United States and Canada should not wait for some kind of collapse in Britain. They should prevent it by a revision of the terms and, if necessary, by the offer of further loans. There could be no sounder investment in our future prosperity. There could be no surer method of destroying that prosperity than by letting Britain down now.

Other People's Views

LACK OF HOUSES is not a reason against immigration but in favor of it, states the **Calgary Herald**, and it is "monumental stupidity" when we shut out "the very people we need, the very people who can solve some of our basic problems, the very people who can make this country, in a relatively short time, one of the most powerful and prosperous on earth. Many will recall the vast influx of people into Canada—particularly western Canada—during the first ten years of this century. Were there empty houses standing here waiting for them? Of course not: houses had to be built. And they were built; willing hands—immigrant hands, most of them—went to work, and houses shot up all over the place. The demand created the supply."

WE DON'T WANT THE MOUNTIES to take over all the police forces of Canada, as Mayor McGeer of Vancouver suggests, declares the **Ottawa Journal**. If that was done "there would be created a huge national police force under direct control of the Dominion Government. Like the OGPU or the Gestapo, it would be a most potent weapon in the hands of the administration which happened to be in power on Parliament Hill. It might be a definite step along the road to the Police State."

PRE-WAR BUDGETS ARE OUT at least for a long, long time, thinks the **Montreal Star**, which points out that "the service charge on the public debt is now almost as large as the country's whole pre-war budget. It is this item that prevents the budget from ever getting back to pre-1939 items. Taken together with new annual expenditures like those for family allowances, veterans' pensions and subsidies, this item takes care of $970,599,000 of the estimates. The funded debt of more than $17 billions, largely attributable to war borrowing, will keep Canadian budgets high for years and make impossible a return to the taxation levels of pre-war days."

CUT GENERAL POSTAGE RATES as well as air mail, suggests the **Edmonton Journal**. "If any reductions are to be made—and the post office's ten million dollar surplus last year invites some—the Government should include the ordinary postal service, which is used by the great mass of people, as well as the less-used airmail."

The Menace of Bilateral Trade

By Upsetting Balance Might Cripple Canada's Vital Export Business

Switching to bilateral trade by Great Britain may upset Canada's biggest basket of economic eggs—export trade. This was the warning given the Institute of Chartered Accountants of Ontario in Toronto last week by L. B. Pearson, Under-Secretary of State for External Affairs. The Financial Post here presents a summary of Mr. Pearson's address:

No country depends more on external trade than we do; none have more of their national eggs in that particular basket. It is a commonplace that out of every 10 people employed in this country, three or four are in jobs directly associated with external trade.

Next to its volume, the most important feature of our foreign trade is that it is not neatly balanced with our various trading partners. Recently this lack of bilateral balance in our trade has, of course, been accentuated. On the export side we have sought to help in the reconstruction effort of Britain and western Europe by increasing our allocations to them of supplies out of our production; while our imports have been to a greater extent than normal obtained in the United States. Further, we have been selling on credit to the United Kingdom and buying, in cash, from the United States.

A couple of years from now—unless we are careful and lucky and wise—we may be looking back on 1947 with nostalgic envy. There are storm clouds—not overhead—but over the horizon, and the forces that are driving them do not originate in Canada. Nor can they be controlled, even if they may be influenced, by Canada.

In 1945-46 an imposing framework of institutions was erected in an effort to achieve co-operative solutions of international economic problems. The codes of behavior embodied in the charters of the various international agencies are, of course, intended to apply in a normal world.

Our stake in world recovery is so great that we were virtually obliged, in our own self-interest, to back the reconstruction of the British and western European economies to the limit of our resources. Let no one think that the interdependence of national economic systems is a mere theory thought up in a university classroom or in an office in Ottawa.

Partly as a result of these "mutual aid" policies of the United States and Canada, things were beginning to look up by the autumn of 1946. However, this hope of a better future to be realized before long rests mainly on two things:

1—In the political field, a satisfactory peace settlement and a growth of security and confidence between the great powers. The progress made has not been as great as we might have hoped. The next six months during which the pivotal German settlement is to be tackled, will show whether there is any hope for the future.

2—In the international economic field our hopes rest on the implementation of the liberal multilateral trading principles laid down on paper. A part of this process is the restoration of the economic and trading strength of the United Kingdom before the "pump-priming" process of the U. S. and Canadian loans is finished, and that process is finishing all too rapidly.

This vital economic issue—as vital for Canada as for any country—may well be decided in 1947, and there is no certainty that the decision will be favorable.

We may well witness, though on a much larger scale, a recurrence of the worst features of the international economic policy of the 1930's—restrictionism, bilateralism, discrimination, excessive protection.

Countries, seeking a hedge against possible failure of better plans, are already beginning to make bilateral bargains.

Along among the countries of the world the United States is in a position of impregnable international liquidity. It is devoutly to be hoped the U. S. will exploit this position. One test of this leadership, and a test of the wisdom and far-sighted imagination of other countries as well, will be found at the forthcoming Geneva conference. Failure to meet this test would have a far-reaching effect on the restoration of world trade, and on Canada's future policies.

Equally important and far-reaching is the "Battle of Britain" now being waged. As the dangers and difficulties of the British position become apparent, the warm democratic world is beginning to realize what a great stake we have in Britain's survival as a great economic power. Don't let anyone count the British out. They have been counted out many times in history, and have always risen to grin and win. History is full of the wrecks of men and nations who have counted Britain out.

It would, however, be equally foolish for Canada not to consider very seriously the lesson for her of Britain's present and persisting difficulties. The British, once their loans run out, simply cannot go on receiving more goods from us than they send us, unless the conference of Geneva succeeds and they can get back to pre-war multilateral trading. If this does not happen, the only other course for them is to increase their exports to Canada, or decrease their imports from Canada, or both, to bring them into balance. Either course would have important implications for Canada's trade both with the United States and the United Kingdom, for it would drastically modify the historic triangular pattern of that trade. If the British were forced into bilateralism that would force us into a reconsideration of our whole traditional trading policy.

It sounds trite to say that fateful decisions for Canada in the field of international economy policy lie ahead. Great Britain is waging its greatest economic battle. Europe is too close to the edge of chaos which, if it comes, would be as complete as the disintegration after the fall of Rome. The whole complicated, delicately poised mechanism of the western European democratic-capitalist system is in danger. Distance would give Canada no immunity from the effects of its collapse.

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Mar. 15, 1947

Three Budgets Tabled Within Week Saskatchewan Hints Anti-CCF Front

Three provincial premiers voiced varying views within the past week, on the prospect of tax agreements with Ottawa.

Premier George A. Drew of Ontario stated that "there will be no tax agreement" between his province and the Dominion, to replace that expiring March 31. Later, however, Drew stressed that he had not ruled out the possibility of a new agreement's being negotiated in the interim.

Premier Angus L. Macdonald of Nova Scotia "did not despair" of reaching an agreement; but insisted that it must be "one fair to this province, one which has regard for the true principles on which a federal system should be based."

Premier J. B. McNair announced completion by New Brunswick, of a tax agreement, and voiced hope for implementation of many features of the wider program, including public investment proposals, and social and health plans of a broad nature." (Hugh Mackay, New Brunswick Progressive Conservative leader, however, branded the new agreement "an expediency without equity," involving surrender of provincial rights).

Speeding up the legislative tempo, budgets were presented by provincial treasurers in Saskatchewan, Alberta and Ontario, within a five-day period.

Prince Edward Island

Premier Answers Critics

Premier J. Walter Jones was "speaking to farmers and fishermen," when he termed an eight-hour day unworkable, he explained, after a torrent of censure from labor leaders. When a spokesman for the longshoremen's union commented that the latter body "never told him (Premier Jones) how to run his farm, or what price to ask for his prize bulls," the government leader retorted: "My bulls are sold at auction, to the highest bidder. Longshoremen do not sell their services at auction; they seek a monopoly." Answering UMW district president Freeman Jenkins, Jones declared: "Each coal miner in Nova Scotia, with all his mechanized equipment, produces about enough coal to keep my farm going for one cold winter's day. Old time miners used to do better with a pick and shovel"

Calling all Clams: Perpetuation of the lowly clam species, sadly depleted in recent years, posed a problem for island authorities. Some quarters accused New Brunswick fishermen of digging them for bait. Plowing of shores where the mollusks had been abundant a few years ago, was planned in an effort to multiply the species.

Another innovation under study was the "tunnel" system of drying cod and hake. Instead of drying in the sun, the fish, after splitting, are placed in tunnels and subjected to a hot air treatment, claimed to keep them in better condition during shipment to tropical climates.

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Nova Scotia

Tax CNR?

Halifax was nearer a showdown this week, in its three-year fight to collect some $250,000 in taxes yearly, from the Canadian National Railways. The civic court of tax appeals this week studied the question; later, by agreement, it would go to the Supreme Court of Nova Scotia, and probably to the Supreme Court of Canada, for final clarification. (Saint John's case for similar taxing powers, was heard in the courts last week).

Farm Yield Higher: Over-all return from the Province's farms in 1946, was estimated at $43 millions. Produce brought farmers $32,212,000, an increase of $5,467,000 from 1945, and of $4,205,000 from 1944. In addition, it was estimated that from $11 to $12 millions in produce, was consumed on the farms. The apple industry recorded a $3.5 million gain last year.

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New Brunswick

Blow to Pulp Mills

Quebec's proposal to ban export from the province, of pulpwood cut on Crown lands (The Financial Post, Feb. 22) threatened to prove a blow to four New Brunswick mills, at Edmundston, Atholville, Dalhousie and Bathurst, which depend on Quebec supplies. This province was not in a position to retaliate, for two reasons: (1) most of her export pulpwood is cut on freehold land (2) most is cut in areas remote from New Brunswick mills, but easily exportable to Quebec or the United States.

Still Coal for Power: Despite the maritime coal strike, the Grand Lake power plant, main source of New Brunswick's electricity, still has four to five week's reserve in its stockpiles. Reason, explained Hon. J. G. Boucher, chairman of the Electric Power Commission: the plant had not been cut off entirely from coal deliveries. But it had no assurance for the future.

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Quebec

30-Hour Week?

The work week "may possibly in time," be reduced to 30 hours, J. O'Connell-Maher, joint Deputy Minister of Labor, predicted to a gathering of professional businessmen. At present, he said, Canada "is headed for a 44-hour work week, and will reach a 40-hour week; heads of industry believe the decrease could be made, without noticeable reduction of production."

Teacher Shortage Grave: Quebec Federation of Home and School Associations called for provincial action to end "the present drastic teacher shortage, a threat to the education system in Protestant schools, and a matter of grave public concern." The Federation said the shortage is compelling closing of many schools, doubling up of classes in others, and employment of non-certified teachers; asked provincial funds be made available for salary boosts, and for a school building program.

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Ontario

Earliest Budget

Provincial Treasurer Leslie Miscampbell Frost made history when he presented his budget for the fiscal year 1947-48 (estimated surplus $367,143.11) to the Legislature this week, only five days after the session's opening. In past years, debate on the speech from the throne had always run two weeks—often much longer—before the financial balance sheet was forthcoming.

Ban Police Strikes: The government program before the House this week, promised: a new minimum wage for women; extension of sickness benefits under the Workmen's Compensation Act, with increased pensions for widows, children, and total disability cases; permissive legislation for collective bargaining by police and fire departments with municipalities, but measures to ban strikes or "subversive activities" among police bodies; a recodification of the 1945 Securities Act, and further legislation regulating separate groups operating in the investment business.

HAROLD M. LONG

has been elected a director of Combined Enterprises Ltd., Montreal.

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Manitoba

Boost Old Age Pensions

The Province will increase pensions for the blind and aged from the present $25 monthly, Premier Garson pledged, without disclosing amount of the projected increase. CCF speakers had urged an additional $10 monthly. British Columbia last month promised a $5 increase, pending federal assumption of full responsibility (The Financial Post, Feb. 22).

"Betrayed" on Housing?: "The second great betrayal of Canada's fighting men" Lt. Col. Gordon M. Churchill, army representative in the Legislature, branded lack of housing for veterans throughout the Dominion; called for federal, provincial and municipal co-operation, in working out a solution. Canada, said Churchill, "first betrayed her fighting forces in Europe, where they were inadequately reinforced at the most crucial moment of the war."

Sheep War on Weeds: Experts admitted that the common barnyard sheep was more efficacious than all the agencies of science, in eradicating leafy splurge, a deep-rooted perennial, rated one of the five most noxious weeds in western agriculture. Poisons, chemicals and intensive cultivation produced some results, but at high cost; whereas sheep, when turned loose amid the weed, munched it in preference to other forms of herbage and even luscious crested wheat grass.

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Saskatchewan

Seek United Front

As rumors of an early provincial election multiplied, Liberals and Progressive Conservatives in Regina, Saskatoon and elsewhere, studied the possibility of a united front, which would result in a candidate from only one of the old parties, being nominated in each riding; agreed that "concerted action by all citizens is desirable, to supplant the present CCF government by a democratic one." Attorney-general J. W. Corman branded the proposal "a mushy display of affection between frustrated Liberals and hopeless Conservatives . . . a particularly humiliating capitulation for the once proud and haughty Liberal party; also a definite slap in the face for Walter Tucker, under whom the Liberal party is supposed to be undergoing a rebirth."

Big Haul for Fish Board: The government's Fish Board expected to handle nearly 5 million lb. of the Province's estimated 9.5 million pound 1946-47 commercial fish catch. Its exclusive operations in the Meadow Lake, Lac la Ronge, Beaver Lake and Wollaston Lake areas, were expected to net 4.5 million pounds; while in other districts, fishermen had voluntarily asked the Board to market approximately 500,000 lb. (Commercial fish limits for 1946-47 had been set at 11,709,275 lb.; but Lake Athabasca, with an estimated yield of over 2 million pounds, was not being fished this year).

More Aid for Education?: Saskatchewan was falling behind British Columbia and Ontario in financial contributions toward education, Gilbert Eamer, secretary of Saskatchewan Teachers' Federation, warned. British Columbia and Ontario governments paid from 50 to 90% of education costs while here the provincial contribution was only about 20%. Total cost of primary and secondary education in the province was about $19.5 millions. Last year the Government paid about $5.5 millions.

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Alberta

"Social Credit Betrayed"

The Social Credit movement has been "betrayed into the hands of the Tory party," genuine Social Credit is dead, and the party now favors "a regimented, totalitarian, one-party system," Calgary's CCF Aylmer John Eggert Liesemer charged; accused Social Crediters of anti-Semitism, and the government of "dictatorial suppression of free speech." Elmer Roper, CCF leader, branded the 1946 Bill of Rights "a gigantic hoax, a political gesture and bluff . . . as near as Alberta will ever get, to having Social Credit." Gordon Taylor, Social Credit Whip, branded the CCF attack "misrepresentations, untruths and halftruths, used in an attempt to build hatred and prejudice"; said the Bill of Rights "would remove inequities—and when that happens, you can bury socialism and communism."

New Deal for Civil Service: The province planned a new deal for civil servants: a three-member civil service commission, a director of service personnel, and a contributory superannuations scheme, providing for increased retirement pensions. Mark Robertson, present civil service commissioner, was mentioned for the personnel director's post.

Power for Peace River: Planning to extend electrification to rural and urban areas in the Peace River district, Canadian Utilities Ltd. disclosed negotiations under way to buy the Spirit River plant, five miles from Rycroft. (Recently, the company acquired a 10-year franchise for operation of the Rycroft light and power plant, 50 miles north of Grande Prairie).

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British Columbia

Frown on Compulsory Vote

Compulsory voting, as recommended to the Legislature by an investigating committee, encountered rough going. "Bureaucratic control and regimentation," Vancouver East Liberal Association branded the proposal. John Mulgrew, president of one division, "would rather quit the party, than accept it."

Emigre Lobsters Thrive: Lobsters transplanted from Canada's east coast, (Financial Post, Nov. 23, 1946) were thriving in an undisclosed lagoon near Nanaimo, federal and provincial experts reported; voiced hope this attempt to colonize the Pacific coast with crustaceans would prove more successful than a previous experiment near Sooke. Question whether the lobsters would propagate in alien waters remained to be answered.

Teach Sex in Schools: Sex education, tried experimentally in Oak Bay schools, and approved by parents, teachers and students, was likely to become general in the Province, possibly this year. Basis of family relations would be discussed in the social studies course; "some of the physiological aspects of sex," in the health education course.

BUSINESS THIS WEEK

	FEB.	JAN.	DEC.	NOV.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	256.8	264.2	216.3	230.7
Dom. total expend.	....	170.8	177.0	204.3	246.9
MERCHANDISING					
Dept. store sales index no. (1)	....	164.8	325.7	304.4	137.0
Retail sales index (no.)	....	....	281.9	245.4	256.1
*Country store index (no.)	....	148.7	223.7	202.3	137.6
Wholesale sales index (no.)	....	....	220.0	256.9	220.0
FINANCE					
Dividend payment index (5)	....	151.2	149.6	148.2	140.3
Bank debits (1)	....	....	201.0	205.2	206.1
Money supply (millions $)	....	....	7,502	7,613	7,180
NEWSPRINT CAPACITY					
Production ratio	....	101.1	98.8	101.3	91.2
Shipment ratio	....	94.1	98.2	108.7	87.9
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	194.2	176.8	161.5	189.2
Cars (D.B.S.) index	....	164.3	155.3	150.0	156.3
COST OF LIVING					
*D.B.S. index	127.8	127.0	127.1	127.1	119.9
EMPLOYMENT INDEX					
*All industries	....	181.4	185.7	182.7	168.3
*Manufacturing	....	190.7	194.2	192.8	179.0
*Payrolls (June 1/41=100) (2)	....	150.2	159.5	154.6	127.6

	1946-7	1945-6	Jan. 1 to date 1946-7	Jan. 1 to date 1945-6	Change %
RAILWAYS—(000's omitted)					
*Carloadings (week Mar. 1)	70.0	66.1	603.6	582.7	+3.6
*C.P.R. gross rev. (Feb. 28)	6,186	6,218	44,395	45,908	—3.3
C.N.R. net rev. (Jan.)	831	2,276	831	2,276	—63.5
C.N.R. gross rev. (Jan.)	32,858	30,901	32,858	30,901	+6.3
C.P.R. gross rev. (Jan.)	23,359	23,300	23,359	23,300	+0.3
C.P.R. net rev. (Jan.)	187	1,218	187	1,218	+88.5
IRON AND STEEL (000's omitted) (Dec.)					
Pig iron production (tons)	161.5	135.2	1,403.8	1,778.0	—21.1
Steel production (tons)	237.3	219.3	2,334.6	2,881.3	—19.4
CONSTRUCTION (000's omitted)					
Contracts awarded (Jan.)	44,711	27,396	44,711	27,396	+63.2
Building permits (Jan.) $	15,398	15,287	15,396	15,287	+0.7
Cement prod., bbls. (Dec.)	973.8	769.2	9,953.8	7,090.8	+40.4
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Jan.)	2,478	2,240	2,478	2,240	+10.6
*Flour exp., bbls. (Jan.)	1,380	1,139	1,380	1,139	+21.1
*Wheat exp., bush. (Jan.)	14,198	15,248	14,198	15,248	—6.9
Cattle sales (Jan.) (4)	120.1	157.3	120.1	157.3	—23.6
Hog sales (Jan.) (4)	399.9	514.3	399.9	514.3	—22.3
SEA FISHERIES (000's omitted)					
Catch, cwt. (Jan.)	891	550	891	550	+62.0
Landed value (Jan.) $	1,882	1,381	1,882	1,381	+36.2
NEWSPAPERS (000's omitted)					
Production (Jan.)	370	328	370	328	+12.7
Exports, tons (Jan.)	345	316	345	316	+8.9
MINING AND OILS (000's omitted)					
Coal prod., tons (Nov.)	1,577	1,791	16,225	14,952	+8.0
Gold prod. (fine oz.) (Nov.)	231	225	2,601	2,453	+6.0
Petroleum prod. (brl.) (Nov.)	620	652	7,012	7,823	—10.4
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kw h.	3,672	3,289	41,604	40,101	+3.7
FOREIGN TRADE (millions of $)					
Imports (Dec.)	181.9	121.2	1,927.3	1,585.8	+21.5
Exports (Dec.)	211.9	234.8	2,312	3,218	—28.2
FINANCE (millions of $)					
Bank debits (Jan.)	6,216	5,991	6,216	5,991	+3.7
Bond sales (Feb.)	153.5	174.4	461.7	361.2	+27.8
Life insurance sales (Jan.)	100.7	82.6	100.7	82.6	+21.9
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. pr. (Dec.)	3.1	3.1	43.2	39.0	+10.8
Cigarette cons. (no.) (Jan.)	1,247	1,491	1,247	1,491	—16.4

(1) Base period 1935-39=100.
(2) All industries.
*New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.
(6) d—deficit.

Windsor Delays Ottawa Move To Sell Housing to Tenants

From Our Own Correspondent

WINDSOR—Sale to the tenants of "wartime" houses here under proposed agreement between the city corporation and the federal agency which owns them—Wartime Housing Ltd., Toronto—has been deferred.

Samples of the city-wide opposition which has stalled the move at least temporarily:

Builders and contractors request delay "until they're given a chance to speed production" of private enterprise owner-housing under Central Mortgage & Housing Corp's. "Integrated" program featuring fixed price and profit.

Home & Property Owners' Association, long-time Wartime Housing foe, sternly opposes "any plan to make the temporary dwellings permanent."

Windsor Planning Area Board asks deferment pending a survey to include a study of tenants willing to purchase under the proposed WH sales plan. In zoning plans made by the board, presence of WH houses has been ignored because of their "temporary" character.

Board of Control meanwhile has delayed action on additional Wartime Housing construction here. It is holding up a proposed WH agreement under which another 100 semi-permanent houses for vets would be built. Reason given is the prior need for rental housing, from which category the WH houses may be removed. The Board is negotiating with Housing Enterprises of Canada, Toronto, joint rental building operation of the big life insurance companies, for construction here of a number of multiple dwelling units.

Of 2,500 dwellings here administered by Wartime Housing, 450 are the so-called semi-permanent houses for veterans only. Windsor was the first city in which the houses were erected and from time to time there have been indications of tenant interest in purchase.

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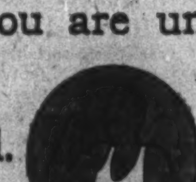
Overweight may menace your health,

especially if you are over 30, for it often goes hand in hand with high blood pressure, heart ailments, diabetes, and other diseases. However, if you are under 30, a small amount of overweight can be beneficial. 

The chief cause of overweight is overeating. It rarely results from glandular disturbances or other causes.

If you are overweight, let your doctor diagnose the cause. Follow his advice for bringing your weight down to normal, or a little below. Keep it there—*and help assure a longer, happier life!*

For further helpful information, send for Metropolitan's free booklet, "Overweight and Underweight."

It contains lists of the calorie values of almost 300 foods, suggested low-calorie menus, illustrated reducing exercises, and a table of ideal weights.

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(A MUTUAL COMPANY)
New York
Canadian Head Office, Ottawa

TO EMPLOYERS: Your employees will benefit from understanding these important facts about overweight.

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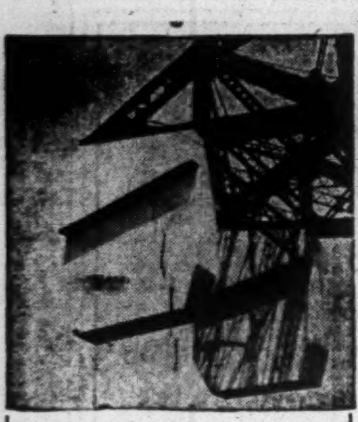

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Literature on Request

GUNITE AND WATERPROOFING LIMITED

Toronto MONTREAL Halifax

Incorporated 1931

U. S.-Financed PGE Extension To Alaska Seen

From Our Own Correspondent

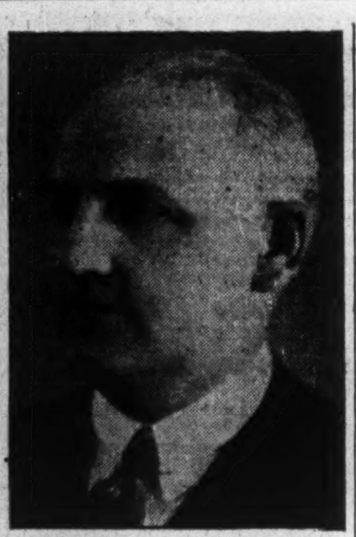
VANCOUVER—Possibility that New York interests will finance an extension of the Pacific Great Eastern Railroad through to Alaska was seen this week in reports from a New York banking house.

The Continental Bank & Trust Co. of New York, one of the large U. S. banks, said that a rail line, which would link the northwest states with Alaska is being considered there.

Pacific coast states and British Columbia have for years worked energetically toward pushing the government-owned PGE into the Alaska territory. During war years, it was understood that President Roosevelt was in favor of the scheme.

The Continental Bank, which will probably handle the financial details, said private enterprise probably will build the railway.

Surveys have been conducted recently on the PGE by representatives of the Provincial Government, the CNR and the CPR. Premier John Hart announced in the legislature that money was being allocated for extending the line in B. C., but said nothing of any impending deal with U. S. interests.



W. H. MINER

president of Miner Rubber Co., Granby, has been elected President of the Rubber Association of Canada.

Mayor Resigns Unless Pay Up

From Our Own Correspondent

VERNON—Protesting city council's refusal to increase his honorarium from $750 to $1,250, Mayor David Howrie has resigned, stating that he will stand for re-election only if the raise is granted.

Howrie, mayor since 1943, said the duties of that office had more than doubled in that time. He stresses that in 1945, Vernon aldermen increased their honorarium 80%, from $250 to $450, but that the mayor's pay was raised only 50%, from $500 to $750.

Farm Loan Body Assets Salvaged

From Our Own Correspondent

WINNIPEG—Wartime prosperity for agriculture has salvaged at least 75% of the assets of the Manitoba Farm Loans Association, which were threatened with extinction in the depression years of the 1930's.

In 1929 the organization had $10,500,000 outstanding on its books in mortgage loans and interest and in the lean years which followed, it looked as if the province would be in for huge losses. At end of the last fiscal year, April 30, 1946, the association's report showed book value of the assets reduced to $2,413,039. Collections for the current year will probably reduce this by at least $500,000.

At end of the last year there were only 437 outstanding mortgages on which was owing $598,202 principal and interest, an average of about $1,400. There were 353 outstanding agreements for sale, on which was owing $562,643, average about $1,700. During the year 177 mortgages and agreements were paid up in full.

New Brunswick Trains Students in Handicraft

From Our Own Correspondent

FREDERICTON—In what is believed to be the first experiment of its kind for student employment in Canada, 24 University of New Brunswick students are readying themselves for jobs with selected hotels and gift shops.

They will work at handicrafts, concentrating on such crafts as weaving, art metalwork, the cutting and polishing of small stones, leatherwork, wood turning and fish-fly tying. Studying under N.B. Director of Handicrafts Dr. Ivan H. Crowell, originator of the scheme, the students hope to sell their products to the thousands of tourists expected to visit the province this year.

Study Water Flooding For Oil Sand Recovery

From Our Own Correspondent

EDMONTON — Water-flooding for recovering oil from oil sands in the McMurray area, northern Alberta, is being studied by the Alberta Research Council, according to an annual report tabled in the legislature by Hon. N. E. Tanner, minister of Lands and Mines. The report said the recovery of oil from good grains of bituminous sand will be between 80 and 90%.

The report said the main body of oil which the deposit contains cannot possibly be won by mining the sand and putting it through a separation plant.

The study of the applicability of the water drive to the bituminous sands is said to have been encouraging so far.

Spring Start Planned On $1.5 Million Span

MONTREAL—Provincial Works Dept. is completing plans and plans start this spring on $1.5 million construction of new St. Eustache bridge to replace old Bellefeuille span over River of the Thousand Isles. It will speed traffic between Montreal and the Lachute district.

CROINOR PERSHING MINES reports that lateral work on the 250-ft. level in year ended Sept. 30, 1946, disclosed continuous commercial ore in the east drift where surface diamond drilling results were marginal. A new ore body, comparable in side and grade to the No. 1 ore body, was delineated on the south contact of the Croinor diorite approximately 2,100 ft. west of the shaft.

Limited amount of underground work done to end of 1946 fiscal year, made it impossible to determine accurately, width or grade of the vein being drifted on on the 250-ft. horizon, General Manager K. A. Davis, states. The vein had been opened up for a length of 264.1 ft. across 2 to 18 ft. at year end. Average muck samples ran 0.28 oz. gold.

Current assets were $423,470 and liabilities $50,668 at Sept. 30, 1946.

CENTREMAQUE GOLD MINES advises that Federal Trading & Agency has underwritten 300,000 shares at 15 cents, payable over a seven-month period and optioned 1,661,825 shares at 15 cents to $1 a share.

Wheat Boosted By Fertilizer

From Our Own Correspondent

SASKATOON—The 1946 fertilizer trials conducted by the soils department at the University of Saskatchewan indicate that high increases in the yield of wheat can be achieved by treating summer fallow land with phosphate fertilizer. Best results have been obtained by using a fertilizer containing 11% nitrogen and 48% phosphate, using between 20 and 40 pounds per acre.

Farmers throughout Saskatchewan provided the land and equipment, and co-operated to considerable extent with university soil experts in recent experiments.

In the tests, each fertilized bit of land ran full length of the field and adjacent, an unfertilized strip was seeded. For harvesting, 10 individual square yard samples were taken at intervals and each square yard was threshed separately, with the acreage yield calculated for each sample taken.

Costing 48 cents an acre, on 11 farms the 11% nitrogen and 48% phosphate mixture was used. The average increase was 4.2 bushels. In other experiments costing 97 cents an acre, the increase was 5.3 bushels. At cost $1.45, the increase was 6.5 bushels. Earlier maturity, greater uniformity, better resistance to weeds and more vigorous growth were also reported.

NEW BIDLAMAQUE GOLD MINES says that March 1 installment on 100,000 shares at 20 cents has not been exercised and agreement terminated for default.

Saskatchewan Civil Service Up Nearly 1,800 Under CCF

From Our Own Correspondent

REGINA—Saskatchewan's CCF Government is employing approximately 1,800 more civil servants than were on the payroll under the former Liberal administration.

The legislature has been informed there were 5,888 civil servants at Dec. 31, 1946, an increase of 808 in a year. At June 30, 1944, just after the Liberal Government left office, there were 4,104 employees.

The Public Service Commission was responsible for employing 5,078 of the 1946 total.

The Government's Bureau of Publications, target of sharp criticism by opposition political groups as "a CCF propaganda agency," is now employing 18 persons whose salaries total $31,500. Top man is G. H. Craik, commissioner, $3,600 a year. There are eight other writers on the payroll.

The 1945-46 appropriation for the bureau was approximately $73,000. Under the former Liberal administration, the bureau employed eight persons, salaries totalling about $15,000. The annual vote was $40,000.

Plan Co-op Sawmills For Saskatchewan

From Our Own Correspondent

REGINA—The third government sawmill in northern Saskatchewan, is scheduled to be ready to operate at Snake Lake, 50 miles northwest of Lac la Ronge, late in March.

Resources Minister J. L. Phelps has voiced hope that ownership of the mills, (which in full operation will have a capacity of about 12,000 board feet a day) will eventually be turned over to local people to be operated on a co-operative basis.

Present mills are located at Cumberland House and Lac la Ronge. A private mill at Green Lake is operated in conjunction with the Government, on a contract basis.

Grain Prices

Winnipeg Grain Futures

Week to Mar. 10, 1947

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close Mar. 10
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
3.28	1.69½	May	3.28	3.10	3.24½
2.84½	2.11⅞	July	2.84½	2.65¾	2.84¾
2.33	1.81½	Oct.	2.30⅝	2.19½	2.30

*At ceiling.

Cash Quotations

	For Week Mar. 10 High	Low	Prev. Week High	Low
Oats*				
2 C. W. ..	.51½	.51½	.51½	.51½
3 C. W. ..	.51½	.51½	.51½	.51½
Barley*				
1 Feed ..	.64¾	.64¾	.64¾	.64¾
2 Feed ..	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W. .	3.42½	3.30	3.25½	2.99¾

*At ceiling.

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★ PURITY FLOUR
★ PURITY OATS
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Mills at: GODERICH WINNIPEG and CALGARY

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MERCHANTS SHIPPERS AND EXPORTERS
MANUFACTURERS OF MASTER FEEDS, LINSEED AND SOY OILS AND MEALS.

HALLET & CAREY LIMITED
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GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd. and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que. —Vancouver, B.C.

THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.

Operators of Country Elevators in Alberta and Saskatchewan
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ONLY TONIK WHEAT GERM KEEPS FRESH
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THE RIGHT WAY TO TAKE WHEAT GERM

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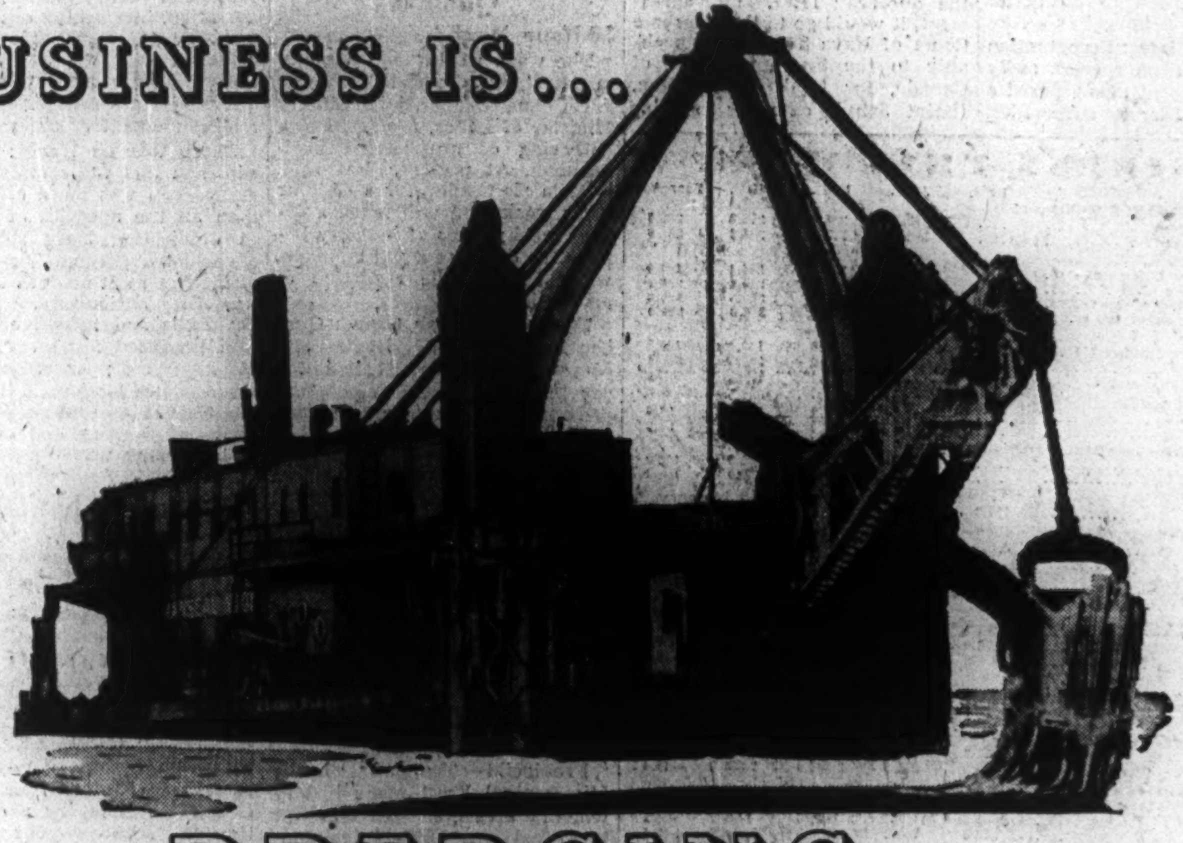

DREDGING

. . . and we know our business. Great and diversified earth-removal projects at home and abroad, in war and in peace, have demonstrated that.

We have the equipment—designed, built and operated by us to meet every requirement of rock or soil removal. With that equipment, Marine Industries has been able to develop to a highly specialized degree the business of moving great quantities of earth by dredging—in Canada and elsewhere.

We have the manpower—men who know their jobs, men with the experience which can only come through participation in some of the world's major dredging operations—men who know how to use equipment, whether hydraulic dredges, drill boats, dipper dredges, bucket elevator dredges, tow boats, derrick or dump scows, rock breakers, wrecking pontoons or diving equipment.

We invite your inquiries on any earth-moving project . . . anywhere.

MARINE INDUSTRIES LIMITED
SHIPBUILDING • SHIP REPAIRING • DREDGING
MONTREAL • SOREL • VANCOUVER

"The Moving Finger Writes
And, Having Writ, Moves On..."

... And although an incompetent executor cannot alter the written terms of YOUR WILL, his poor management may turn into mere travesty the document which you had so carefully planned.

Our wide experience as executors enables us to act with unusual thoroughness in this capacity.

ENQUIRIES ARE INVITED.

The EASTERN TRUST Company

MONTREAL TORONTO

CHARLOTTETOWN P.E.I. MONCTON, N.B. ST. JOHN, N.B. NEW GLASGOW, N.S.
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MacTIER & Co. LIMITED

INVESTMENT SECURITIES

ALDRED BUILDING MONTREAL PLATEAU 8481

WE CAN SUPPLY–

WHEAT STARCH, WHEAT glutens, WHEAT dextrines, paper mill starches, textile sizings, gums and adhesives, pastes, vegetable glues, meat binders, corebinders.

WRITE TO-DAY!

Skilled technicians are at your service.

Canadian Starch From Canadian Wheat For Canadian Industry

ALL ARE "INGRAINED with Quality"

PRODUCTS, MANUFACTURED BY
INDUSTRIAL GRAIN PRODUCTS
Limited
Head Office—741 Talbot Street
LONDON, CANADA
MONTREAL FORT WILLIAM WINNIPEG

TRADE MARK

The problems of payroll preparations, analysis and financing vanished when Seattle-Tacoma Shipbuilding Corp., Tacoma, installed Remington Rand Punched-Card Accounting.

The following excerpts from a full report relate the experience of but one of hundreds of concerns, both large and small, who have found in Remington Rand Punched-Card Accounting the answer to their complex payroll problems.

"Our building in this yard of many types and sizes of naval vessels within a two-year period would not have been possible without the most effective use of labor-saving equipment, including Remington Rand Punched-Card Accounting and Tabulating Machines, which we installed in the fall of 1941. Since then the compilation of the payroll for 25,000 yard workers, the issuance of their weekly checks and the distribution of labor cost, has been handled with increasing smoothness and effectiveness.

"The cost of computing earnings, making Social Security, income tax, war bond and other deductions, tabulating payroll checks, compiling the payroll register, and preparing labor distribution and personnel reports, and government billings, is less than 1/3 of 1% of the payroll . . . equal to ten minutes per day per worker. It is regular routine to print and tabulate the 25,000 checks and tabulate the many reports within a single shift.

"Since the navy audits and pays this bill without delay, its check reaches our bank in time to cover the payroll checks. This perfect timing results from the superb efficiency of Remington Rand Punched-Card Accountancy."

The full report of this operation, Certified Report No. 4313, carries a wealth of helpful information on solving payroll, labor distribution and other production problems. It's free to interested executives by writing to our nearest office, or direct to Tabulating Machines Division, Remington Rand Limited, 199 Bay Street, Toronto.

Remington Rand

PUNCHED-CARD ACCOUNTING

*The HOLE MARK of a System ... the Symbol of Accuracy

KWIK-FAX
REMINGTON RAND TABULATING MACHINES may be PURCHASED as well as leased.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MOORE CORP. 1946 net profit was up 44.5%. Sharply reduced income tax provisions more than offset a decline in net earnings. The year was one of the most active in the company's history, reflecting the record peacetime momentum of general business in the United States and Canada. Despite shortages of raw materials, delayed delivery of new equipment, and postwar labor difficulties, physical production was well in line with any previous year, the annual report states.

A large backlog of business has been carried forward into the new year and current bookings are at a high level. While 1947 operations will be somewhat handicapped because of the current short supply of paper of all kinds, the year promises to be an active one, it is stated. The new facilities which will be coming into production steadily will be helpful in the year's program.

A progressive program is under way to improve and increase productive facilities. In this connection directors are proposing a $3.5 million issue of 4% cumulative redeemable sinking fund preference shares.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$4,734,757	$5,513,142
Less: Depreciation	736,691	643,393
Income taxes‡	1,683,330	3,267,600
Net profit	2,314,736	1,602,149
Less dividends:		
Moore Corp. A	118,165	139,546
Do., B	19,280	23,494
Do., common	1,355,011	1,310,893
Surplus for year	822,280	128,216
‡Incl. refund. EPT	......	12,693
Earnings per Share and Dividend Record:		
Pref.: A & B:		
Earned: Excl. ref. EPT	$126.18	$75.82
Incl. ref. EPT	126.18	76.42
Paid	7.00	7.00
Common:		
Earned: Excl. ref. EPT	4.59	3.12
Incl. ref. EPT	4.59	3.14
Paid	*2.22	*2.22

*Plus extra of 66½c. each year.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$3,167,519	$4,178,780
Accts. rec.	6,141,793	4,878,753
Inventories	5,816,223	4,989,478
Total curr. assets	15,125,535	14,047,011
Inv. & adv. assoc. cos.	953,885	828,645
Misc. assets▲	558,300	1,049,788
Fixed assets*	6,451,801	4,947,750
Total assets	23,089,521	20,873,194
Total curr. liab.	5,790,661	4,554,862
Postwar adj. res.▲	1,997,496	1,839,248
Capital stock	9,502,410	9,502,410
Surplus	5,798,954	4,976,674
*After depr. of	8,773,711	8,312,202
▲Incl. refund. EPT	95,485	649,008
Working capital	9,334,874	9,492,149

MACASSA MINES realized a net profit of $307,862 or 11.5 cents a share in 1946, an increase of more than $55,000 over the previous year. Bullion production was substantially higher, as noted below, and development work was stepped up appreciably although labor supply in spring and summer proved unstable.

Production by Renabie Mines is expected to start this April. Macassa has purchased $700,000 of Renabie 4% first mortgage bonds for $560,000 and advanced $80,190 on demand notes. Macassa owns 800,005 of Renabie's 1,050,005 outstanding shares. Expenditures on Renabie resulted in $187,057 of bankers' advances being shown by Macassa at the end of 1946 and a working capital deficit of $141,949.

Macassa has participated in formation of Braminco Mines, formed to consolidate three groups of claims adjacent to the southeast corner of Renabie Mines. Surface exploration results were sufficiently encouraging during the latter part of 1946 to warrant a program of diamond drilling which is now being undertaken.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Bullion prod.	$1,327,324	$1,089,839
Less: Oper. exp.	855,107	699,134
Oper. earnings	472,217	390,705
Add: Other inc.	6,860	15,209
Net earnings	479,077	405,914
Less: Depr.	68,149	75,207
Res. for taxes	103,066	79,081
Net profit	307,862	251,626
Less: Dividends	321,368	321,368
Deficit for year	13,506	69,742
Earnings per Share and Dividend Record:		
Com.: Earned	$0.115	$0.094
Paid	0.12	0.12

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bullion	$48,326	$212,991
Shares and bonds	16,745	368,511
Mat. & supplies	123,569	115,078
Total curr. assets	188,640	696,580
Prep. & def. chgs.†	57,939	42,954
Invest., adv. assoc. cos.	1,139,443	553,846
Mining property	1,600,331	1,600,331
Plant & equip.*	139,915	173,469
Total assets	3,126,268	3,067,180
Bank loan	187,057	......
Accts. & accr. chgs.	63,532	47,790
Taxes reserve	80,000	132,000
Total curr. liab.	330,589	179,790
Capital stock	2,678,068	2,678,068
Surplus†	117,611	209,322
*After depr. of	1,186,664	1,120,079
†Incl. ref. EPT	21,000	21,000
Working capital	$141,949‡	516,790

‡Excess of curr. liabs. over curr. assets.

OPERATING STATISTICS

	1946	1945
Tons milled	87,383	71,968
Average recov.	$15.19	$15.14
Ore reserves, tons	413,650	412,600
Grade	$15.36	$15.54

DETROIT INTERNATIONAL BRIDGE CO. 1946 net profit was up 9%. Gross revenue was $837,341 ($731,072 for 1945). Included in 1946 revenues is a nonrecurring foreign exchange recovery item amounting to $46,292.

Capital stock was increased from 217,175 shares of common to 373,232 shares, the par value of $1 a share remained unchanged. Based on new capitalization, earnings were equivalent to $1.05 a share (based on old capitalization earnings in 1945 amounted to $1.93, or on new capitalization, 96c. a share.

Vehicular traffic in 1946 increased approximately 15%, despite the unusual heavy traffic in 1945 resulting from gasoline and food shortages on the American side. Tourist travel was quite extensive during the summer months.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$433,915	$431,364
Less: For'n exch. loss	▪46,292	3,130
Depreciation*	482	1,875
Inc. taxes	86,804	65,849
Net profit	392,921	360,510
Less: Dividend	391,894	233,270
Surplus for year	1,027	127,240

▪Credit.
*Of furn., fixt. & auto. equip.

Earnings per Share and Dividend Record:		
Common	$1.05	$1.93
Paid	0.60+0.30	1.25

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & bonds*	$833,532	$844,531
Accts. rec.	6,658	7,897
Total curr. assets	840,190	852,428
Prepaid chgs.‡	74,846	6,502
Fixed assets	2,678,506	2,662,569
Total assets	3,593,542	3,521,499
Total curr. liab.	158,663	195,641
Replacement res.	85,000	150,000
Deferred inc.	21,996	18,541
Capital stock	373,232	186,616
Capital surplus	2,322,197	2,425,603
Earned surplus	632,454	545,098

*Incl. U. S. treasury notes and Dom. bonds.
‡Incl. in curr. assets in co's. report.

Working capital	681,527	656,787

SOCIETE NATIONALE DE FIDUCIE 1946 net profit of $48,689 was up 16.7%. Total estate trusts and agencies under company administration at year end amounted to $21,496,378—up $1,734,510. Mortgages in force were down $27,509 at $56,267. Realty for sale dropped from $19,337 to $1,184.

	1946	1945
Liab. to public, etc.*	$693,887	$788,915
Shareholders' equity	724,157	682,477
*Secured by:		
Mortgages	56,267	83,776
Office furniture	459	1,084
Realty for sale	1,184	19,337
Liquid assets‡	1,360,134	1,367,195
Total	1,418,044	1,471,392
‡Includes bonds and stocks.		
Estates account	21,496,378	19,761,868
Earned per share	$19.48	$16.69
Paid	5.00+5.00	5.00

STEDMAN BROS. 1946 net profit was up 71.8%, and reflects a satisfactory increase in sales, Chairman of the Board S. W. Stedman states. The year has been one of changing conditions; many lines popular during the war have lost their appeal. On the other hand, many lines, both domestic and imported, which have been off the market are again making their appearance, but at much higher prices, Mr. Stedman says. In the adjustment that is bound to come there will be losses, it is said. Recognizing this fact, directors have deferred for the present the question of bonus dividends. The year 1947 compares favorably with 1946 at this time.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net oper. inc.	$1,058,545	$949,569
Less: Deprec.	37,294	38,741
Pension fund	26,727	22,840
Income taxes‡	501,317	600,881
Net profit	493,207	287,107
Less: Pref. divd.	......	10,797
Com. divd.	259,570	139,819
Surplus for year	233,637	136,491
‡Inc. refund. EPT	......	81,895
Earnings per Share* and Dividend Record:		
Pref.†: Paid	....	$2.25
Com.: Excl. ref. EPT	$1.21	0.68
Inc. ref. EPT	1.21	0.88
Paid (new)	0.45	....
Paid (old)	0.25+0.50	1.00+0.50

†Redeemed Oct. 1, 1945.
*Based on new capitalization after 4 for 1 stock split.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$581,568	$730,345
Accts. rec.	528,730	412,993
Inventories	889,539	752,179
Total curr. assets	1,999,837	1,895,517
Invest. in subsid.	115,450	37,100
Misc. assets▲	291,091	315,080
Fixed assets*	433,681	433,654
Total assets	2,840,059	2,681,351
Total curr. liab.	76,834	151,545
Mtge.	......	14,875
Real estate res.▲	205,193	205,193
Capital stock	294,801	294,801
Capital surplus	5,200	5,200
Earned surplus▲	2,258,031	2,010,237
*After depr. of	441,811	404,517
▲Incl. refund. EPT	249,712	249,372
Working capital	1,923,003	1,743,972

CANADIAN CANNERS LTD. reports an additional 1,490 convertible preferred shares exchanged for an equal number of common, making issued capital 190,641 1st preferred, 309,306 convertible preferred and 183,624 common shares.

HIGHWOOD SARCEE OILS has received payment of $8,000, covering 80,000 shares. Issued capital, 2,317,143 shares.

The offering of these Shares does not represent new financing by the Company. The Shares are being purchased by us from a shareholder of the Company.

OUTSTANDING ISSUE

28,200 Class A Shares

(No Par Value)

Auto Electric Service Company, Limited

(Incorporated under the laws of the Province of Ontario)

Cumulative Non-Callable Class A Shares

Entitled to fixed cumulative preferential cash dividends, to accrue from March 15th, 1947, as and when declared by the Directors at the rate of 50 cents per share per annum payable quarterly on the 15th days of March, June, September and December. Non-voting unless cumulative dividends shall be in arrears and unpaid to the extent of six quarterly dividends, and thereafter, so long as any dividends remain in arrears, entitled to one vote per share. Entitled on liquidation first to receive unpaid cumulative preferential dividends and thereafter to share equally, share for share, with the common shares on distribution of assets.

Transfer Agent and Registrar: National Trust Company, Limited, Toronto

Capitalization

(After giving effect to supplementary letters patent applied for)

	Authorized	Issued
Class A Shares (No Par Value)	50,000 shs.	30,000 shs.
Common Shares (No Par Value)	100,000 shs.	100,000 shs.

We offer, as principals, these Class A Shares, if, as and when accepted by us and subject to prior sale or change in price and subject to the approval of our Counsel, Messrs. J. S. D. Tory and Associates, Toronto and of Counsel for the selling shareholder and the Company, Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto.

The right is reserved to reject any application or to allot a smaller number of shares than applied for.

Price: $10.00 per Class A Share

(Each five Class A Shares will carry a bonus of one Common Share)

It is expected that Interim Share Certificates will be available for delivery on or about March 17th, 1947.

Copy of the Prospectus describing these Shares will be furnished on request.

W. C. Pitfield & Company, Limited

MONTREAL

HALIFAX MONCTON SAINT JOHN OTTAWA
CORNWALL TORONTO VANCOUVER

"The Forest", drawn by Thoreau MacDonald, from his original painting for the pulp and paper industry.

USING THE FOREST

The great forests, and the water powers employed in their development, account for about one-quarter of all primary production in Canada. They are the country's greatest single source of export trade. To protect and preserve our woods resources is a matter of importance to every Canadian.

Of the total wood consumed in Canada each year, lumber and associated products take about one-third; wood for fuel takes almost one-quarter; *more than one-fifth (22.6 percent) is dead waste from fire, insects and other ravages.* Pulp and paper operations use only one-sixth of the total, the smallest part of all in consumption but by far the largest in terms of national gain.

Pulp and paper companies are deeply concerned in making effective their declared forest policy of perpetual yield, not only from the areas presently connected with their mills, but from the forests of Canada as a whole. In every phase of forest management, this industry is in the forefront of the effort to maintain a sustained and continuous flow of forest wealth.

PULP & PAPER INDUSTRY OF CANADA

109 mills, small and large, from coast to coast.

RAILROAD BOND SHARES
OF
GROUP SECURITIES, INC.

A PROSPECTUS ON REQUEST
from your Investment dealer or
Distributors Group, Incorporated
63 Wall Street, New York 5, N. Y.

SIGMA MINES (QUEBEC) reports bullion production of $156,140 from 27,045 tons milled, an average recovery of $5.77 gold per ton in February ($158,065 from 27,241 tons and average of $5.80 in January).

J. H. Crang & Co.
44 Adelaide St. W.
Toronto

MEMBERS
TORONTO STOCK EXCHANGE
CALGARY STOCK EXCHANGE
WINNIPEG GRAIN EXCHANGE
VANCOUVER STOCK EXCHANGE

Claude Neon
COLD CATHODE
Fluorescent Lighting
INCREASES EMPLOYEE PRODUCTION
• Dispels Shadows • Improves Workmanship
• Easier on Eyes • Reduces Scrap
• Lessens Fatigue • Lasts Longer
Get Complete Details From
E. L. RUDDY CO LIMITED
TORONTO MONTREAL HAMILTON

Variety Helps Expand Plant

Stokes Aims at Export Market In Rubber and Plastic Items

Two 10-ton trailer trucks loaded with glistening new car battery cases and parts pull out of the shipping rooms of Jos. Stokes Rubber Co., Welland, six days a week for Toronto finishing plants. This takes care of over 90% of Canadian battery manufacturers' demands, and in a year amounts to about $1 million in sales.

But battery containers and parts represent only half of the company's revenue, Rapidly expanding production in dozens of other hard and soft rubber and plastic products is fast overtaking in dollar volume the company's original "bread and butter" line. In fact there are very few major industries in Canada today which do not use some Stokes product in their processing, or incorporate some Stokes product into the assembly of their finished products. Despite this, the company is little known to the mass of Canadian consumers; mainly because it does not market any complete consumer product—everything going to "finishing" manufacturers.

At the moment, outstanding contracts in the plastics field include such volume items as 10 million bottle caps, 200,000 handles for one particular type of pressure cooker, 25,000 electric iron handles, a full year's production of razor boxes at the rate of 4,000 a day, and extensive orders on vacuum cleaner, electric toaster, electric switch parts, radio cabinets, etc.

Plenty of Variety

Hard, soft and sponge rubber parts of all kinds are produced either by a molded, built-up or extruded process. Molded hard rubber products vary all the way from battery containers to pipe stems; soft rubber molded products include automobile windshield and window weatherstrip, billiard table cushions, plugs for electrical appliance cords. Molded sponge rubber parts include automobile arm rests, balls, etc. Some extruded hard rubber products are pipe for conveying chemicals, fountain pens; soft rubber products—lawn mower tires, hose, refrigerator gaskets.

A new line was recently added when the company processed some 50,000 lbs. of chewing gum compound. In fact, Jos. Stokes Rubber Co. is just about ready to tackle any manufacturers' production job in the hard, soft or sponge rubber, or plastic fields. The range of possibilities is almost endless, officials feel.

Most of the plant has been put on a three-shift, round-the-clock schedule to keep the long black line of battery cases moving on its conveyor belt from production to store-room. By next spring approximately $100,000 worth of additional equipment, now on order, will enable the company to supply the entire Canadian battery case market.

Still Expanding

Last year the company spent $350,000 on expansion of existing facilities and officials state they have some of the most modern type of rubber mixing equipment in Canada today. A new $400,000 addition in the advanced planning stage at present is expected to be in operation by late fall. It will be used for manufacture of additional automotive parts.

In all this plant expansion, officials have determined eyes set on the export market, particularly the Empire market. Operating efficiency has reached the level where, were it not for high tariffs, certain automotive parts could be exported to the United States at a profit—a market where formerly competition was entirely out of the question.

With such a wide variety of products, many intricate precision tools are required. An affiliate company, the Thermoid Mold and Tool Works, maintains a plant alongside the main Stokes factory where molds for plastic and rubber products are made. Molds are the most expensive part of the industry, ranging in cost from $100 to $10,000 even for such low priced items as a bottle cap or an electric switch. Hence the mold must be so constructed as to provide a large volume of parts in order to absorb the high initial cost.

Before the war, the initial high mold cost and low volume of production curbed development of the use of molded rubber and plastic in Canada. Faced with a restricted market, Canadian manufacturers would purchase their requirements from existing molds available in the United States, or use items of common design from stock molds. But now the demand for plastic items has increased to such an extent here that more and more manufacturers are able to absorb initial tooling cost.

Perhaps the most valuable single piece of equipment in the plant is the rubber mixing equipment consisting of a Banbury Mixer mounted directly over an 84-in. sheeting mill. This turns out from 400 to 500 lbs. of rubber mix about every ten minutes. Carefully measured quantities of crude, synthetic and reclaimed rubber, together with the other ingredients such as softeners, accelerators, etc., are fed into the mixer and in ten minutes, chunks of hot rubber come tumbling out of a bottom opening onto the sheeting mill.

Employees armed with sharp knives slice the rubber off the rolls in approximately 70-lb. slabs and place these in water coolers or hang them on racks to air cool. When sufficiently cooled, the slabs are either cut into smaller slabs, calendered into smooth sheets or extruded into various shapes, whichever are the most adaptable to the particular parts desired.

Like Loaves of Bread

The ingredients used in asphalt composition battery containers—which the company makes, along with hard rubber cases—are also purchased in bulk in raw form and are formulated by the company chemists. The correct amount of each ingredient is blended, mixed and masticated, and weighed out accurately into chunks resembling the dough for a loaf of bread. These "loaves" are then fed into hydraulic presses and pressed or molded into shape.

In all, the company uses some 130 hydraulic presses in the rubber asphalt container and plastic departments. These are all supplied with hydraulic pressures of 750 lbs. and 2,500 lbs. per sq. in., steam at 350 deg. F. and air at 100 lbs. per sq. in., from a central power plant where hydraulic, steam and air pressures are produced.

After the molding process, products from all departments are funelled into the finishing department, where such operations as the removal of flash, drilling of holes, reaming, tapping, polishing, etc. are performed. A continuous belt-line finishing and inspection set-up is used to eliminate handling and to safeguard quality of work.

In plastics, the thermosetting type of materials, namely, phenolic, urea and melamine molding compounds are used exclusively and are purchased completely formulated from the chemical companies. Plastic articles range in size from small bottle caps and wire connectors to radio cabinets and washing machine agitators.

Vice-President Leaver speaks very highly of the companys 500 employees, and is justly proud of the fact that there has never been a strike or interruption of work since the company's inception in 1920. While future expansion of the company depends on the overall economy of the country, products are so diversified that the future of Stokes seems well assured.

Cdn. Cottons Renew Plants

MONTREAL (Staff)—Expenditures made by Canadian Cottons Ltd. last year on new building and machinery account made it necessary for the company in September last to sell $3 millions of bonds to replenish working capital position. The issue was privately placed and consisted of $1.5 million of 2½% bonds maturing Sept. 1, 1951 and $1.5 million of 2¾% bonds maturing Sept. 1, 1956.

Resulting from this sale of debt, capitalization of Canadian Cottons Ltd. now consists of $3 millions of bonds, $3,305,200 of 6% non-cum. $20 par value preferred and 138,510 shares of common.

Working capital at March 31, 1946, amounted to $8,320,662, higher than at any time in the past but this account was reduced during the year as the company pursued an aggressive policy of revamping its plants and machinery, The Financial Post is informed. Approximately $222,000 was spent on capital assets in 1945-46, a figure which was substantially exceeded last year as supply conditions eased, it is understood.

COMPANY REPORTS

WESTERN TRUST CO. net profit was $82,607 ($83,194 in 1945). Estates, trusts and agencies under company administration at year end were off $181,321 at $4,059,535. Stocks, bonds, debentures and cash on hand, increased from $1,163,385 to $1,329,599.

	Dec. 31 1946	Jan. 1 1946
Liab. to public, etc.*	$196,896	$201,699
Shareholders' equity	1,417,019	1,401,711
*Secured by:		
Mtges. & sls. agree.▲	252,503	401,922
Office furn., etc.	2,385	1,710
Liquid assets♦	1,359,027	1,199,778
Total	1,613,915	1,603,410
♦Incl. bonds and stocks.		
▲Incl. mtge. of wholly owned subsid.		
Estates account	4,059,535	4,240,856
Earned per share	$8.22	$8.28
Paid	6.00	6.00

SANGAMO CO. 1946 net profit was up 46.4%. Though the company fell short of its production objectives in 1946, sales of commercial products exceeded those of any previous year. The year was a difficult one for all manufacturers, due mainly to inability to obtain sufficient supplies of raw materials, President G. W. Lawrence states.

Settlements have been concluded between the company and the Government on all war sales, and also in respect to all outstanding claims resulting from unfinished war contracts.

Backlog of orders for both meters and motors is far in excess of any previous period; and throughout 1946 there were added new and improved machines and equipment to increase production. During the summer a definite decision was made to manufacture a line of capacitors similar to that produced for many years by the Sangamo Electric Co. in the United States. The company has purchased on favorable terms a parcel of land and a group of three buildings, being part of the military camp at Newmarket, Ont. The necessary machines and equipment have been installed, and production has begun on a limited scale.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$611,091	$416,147
Less: Deprec.	197,781	125,514
Bond int.	2,583	4,192
Pensions	10,000	10,000
Inc. tax res.	196,000	120,000
Inventory res.	......	16,631
Net profit	204,727	139,810
Less: Com. divds.	90,606	45,303
Surplus for year	114,121	94,507
Earnings per Share* and Dividend Record:		
Common: Earned	$1.13	$0.77
Paid (new)	0.12½	....
Paid (old)	1.50	1.00

*Based on present capitalization, after 4 for 1 split on Oct. 23, 1946.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bonds	$2,963	$64,232
Accts. rec.	379,150	393,586
Inventories	1,112,393	745,807
Total curr. assets	1,494,506	1,203,625
Misc. assets	41,353	41,009
Fixed assets*	743,267	674,094
Total assets	2,279,126	1,918,728
Bank overdraft	132,906	26,668
Accts. & tax. pay.	527,151	387,112
Total curr. liab.	660,057	413,780
Funded debt	50,000	60,000
Pension res.	20,000	10,000
Contingent res.	120,000	120,000
Capital stock	505,135	505,135
Earned surplus	923,934	809,813
*After depr. of	730,122	657,800
Working capital	834,449	789,845

Note: Ref. EPT of approx. $7,760 not included in above.

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LaFrance-Foamite, manufacturers of fire protection equipment, is one of the ever-increasing number of manufacturers taking advantage of Magnesium's lightness. LaFrance-Foamite knows that men in a hurry work faster, surer when their tools have lightness—with strength.

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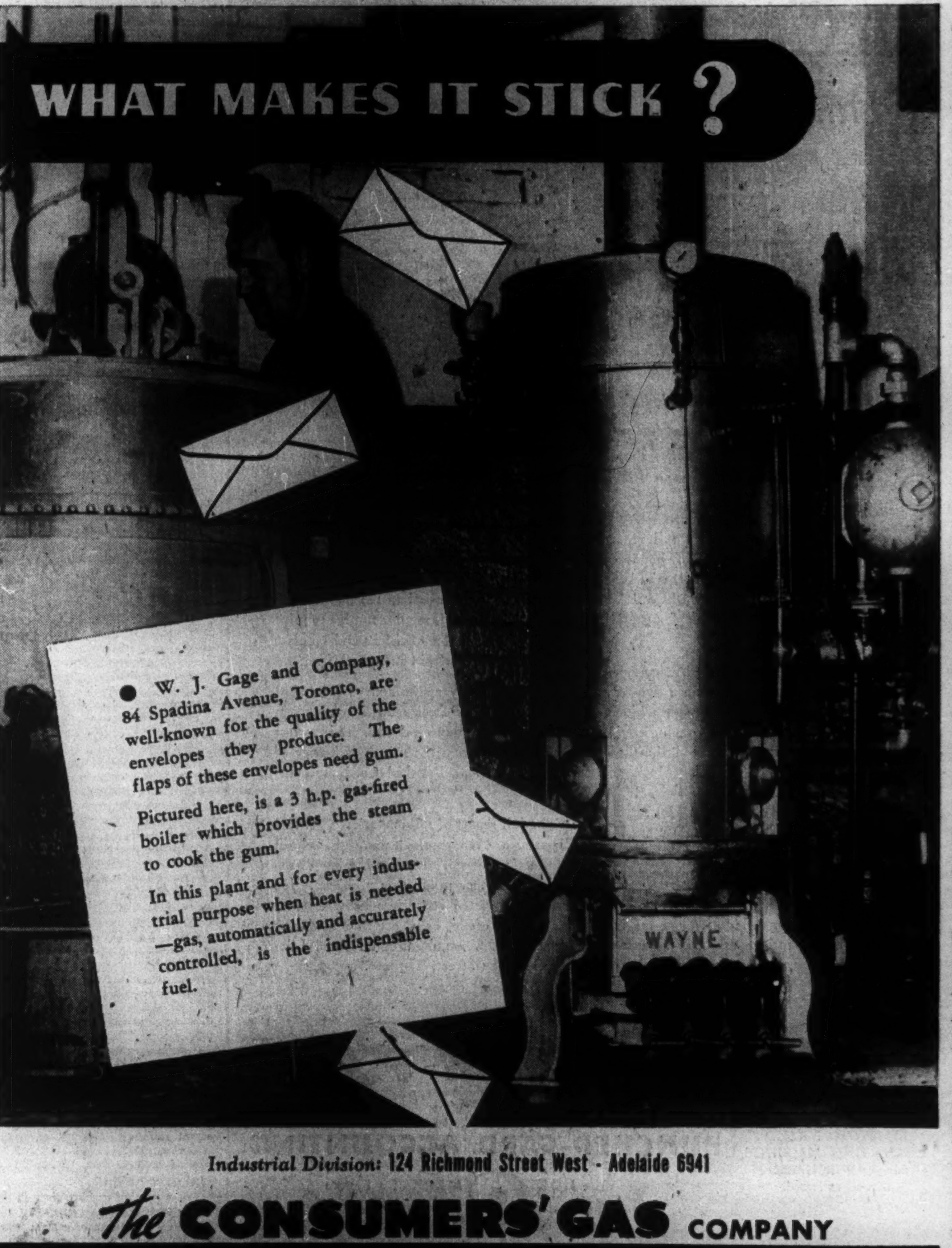

Industrial Division: 124 Richmond Street West - Adelaide 6941
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The Wawanesa Mutual Insurance Company

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Surplus 3,039,566.10
Dom. Govt. Deposit 2,292,892.17

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A. F. White Resignation Asked by Co-directors

(Continued from page 1)

York. The latter two are associated with U. S. underwriting firms, the former with Van Alstyne, Noel & Co., and the latter with A. C. Allyn & Co.

The White committee, it is understood, seeks to elect a new board of directors with a view to capital reorganization. It criticizes the present management on the grounds that they have not utilized the past few favorable pulp and paper earning years to do more for the shareholders.

While management disputes its claim, the White committee in a letter to shareholders at mid-week stated it owned or had assurances of support from 90,000 class "A" shares and 250,000 common shares of St. Lawrence Corp. This would represent 40% of outstanding stock. To effect capital re-organization, it would require control of more than 75% of each class of stock, under the Dominion Companies Act.

As of Feb. 26, the registrar's list shows 72,489 shares of St. Lawrence Corp.'s common registered in the name of Van Alstyne, Noel & Co., with Senator Van Alstyne the registered owner of 2,375 shares of class "A" stock and 1,500 shares of St. Lawrence common in addition.

Interesting sidelight in the fight is the position of J. Edouard Labelle and H. Carson Flood. Mr. Labelle is a member of the new White committee, whereas Mr. Flood is a director of Lake St. John and St. Lawrence Paper Mills. In the Canadian Vickers proxy fight earlier this year, both were on the same side of the table.

Some observers feel that before the issue is settled, present management may be asked to explain the high pulpwood cost at St. Lawrence Paper and Brompton's Quebec mills. Shareholders of the St. Lawrence group may want to know whether the pending sale of Brompton's Outarde limits is justifiable in the light of the need for cheap pulpwood for St. Lawrence and Brompton.

Ottawa 'Saves' $31.5 Millions

(Continued from page 1)

more than 5c. a gallon on gasoline expected to be consumed within the province.

In short, Ontario now expects to raise its gas tax by 3c. a gallon to offset preferred federal tax transfer revenue. If it had signed the agreement with Ottawa it could (in addition to a smaller corporation levy) have cut its gasoline tax by about 2c. a gallon and still balanced its accounts.

Looked at from Ottawa's viewpoint, if Ontario had signed a tax agreement, the payment to that province for 1947-48 would have been $74 millions, less whatever Ontario would have collected by a 5% corporation profits tax. On Ontario's reckoning, a 5% tax would raise $27.5 millions.

This 5% tax need only be levied so long as any one province remains out of the pact. If all other provinces had signed the agreement, corporate taxpayers in Ontario would save a further $27.5 millions. Under such circumstances, the "cost" to federal taxpayers would increase accordingly.

Three Pictures

Three sets of figures must be considered in comparing Ontario's present position with what it could have been, depending on whether or not all provinces had come into the proposed federal agreement.

Some explanation is due in respect of the foregoing table, re succession duties.

With Ontario staying out of the proposed tax pact, the province will continue to levy duties at present rates and expects to raise in 1947-48 $11,750,000. However, this does not mean an additional impost on Ontario citizens, because the Federal Government has agreed that any such tax, even when levied by a nonagreeing province, will be rebated to the individual to the extent of 50% of the present federal levy. This means that Ontario will collect its revenue but citizens will be penalized only to the extent that rates in Ontario are more than 50% of current federal rates.

Mont'l Power Decision Due at Month-end

Shareholders Mum on Acceptance or Rejection of Hydro Offer

MONTREAL—(Staff) Whether Montreal Power shareholders will accept the Quebec Government offer of $25 a share for Montreal power stock or the equivalent in bonds bearing interest at 2% per annum may be answered at the company's annual general meeting on March 31 At the moment, shareholders appear reluctant to commit themselves.

Late last week Montreal Power President John Norris pointed out to shareholders that the commission's offer worked out to only $2.50 per share for the expropriated assets after deducting the $22.50 in cash and government bonds held by Montreal Power. For this reason Norris and directors have come out against acceptance of the offer.

On the other hand, some observers point out that included in Norris' definition of unexpropriated assets was $65 millions in cash. Of this figure, some $64 millions represents proceeds from called Beauharnois bonds and notes pledged with Montreal Trust Co. as collateral for Montreal Power bonds and owned by Montreal Power, subject to the pledge held under the trust deed. These proceeds can only be used for purposes of calling an equivalent amount of Montreal Light Heat & Power bonds, and therefore cannot be considered as available for shareholders, it is felt.

The position of Quebec Hydro right along has been that the Expropriation Act of 1944 gave them the powers formerly held by Montreal Power at the time the company was relieved entirely of its liabilities. The later amendment to the Act, whereby Quebec Hydro replaced Montreal Power, gave Hydro the authority to name the date when Montreal Power bonds were to be called. (Apparently the Montreal Trust will only act to call Montreal Power bonds when authorized to do so by its legal advisers. Except for the 4½% first mortgage Beauharnois bonds in the amount of $39,955,900 redeemed on March 1, Quebec Hydro issued instructions to the trustee to redeem an equivalent amount of Montreal Power bonds in all cases where Beauharnois bonds and notes were called.

Meanwhile, Quebec Hydro confirmed in writing last weekend, its intention to purchase Montreal Power shares at $25 per share or by 10-year Government-guaranteed 2% debentures. Additional light will undoubtedly be thrown on the complex question of expropriation this Saturday, when Montreal Power's 1946 report is expected to be made available to shareholders.

$3 Wheat Price Seen Obstacle To World Pact

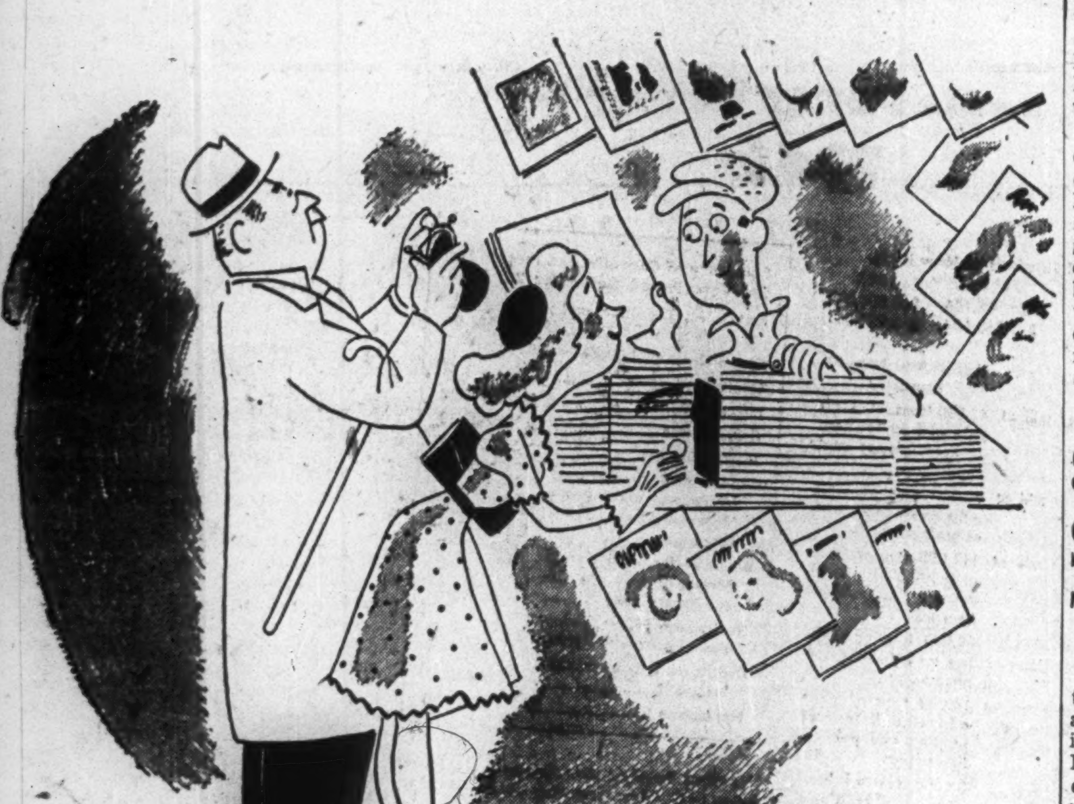
(Continued from page 1)

the United States, the impact of a great export program is depleting available supplies rapidly. More than 46 million bushels were exported in January, bringing exports for seven months up to 200 million bushels and promising a record for the crop year of 350 millions. Much of this has been in the form of flour.

As buyers bid up prices in order to get supplies, farmers are inclined to withhold stocks from market in the hope of still higher prices.

The prospective increase in binder twine prices is expected to produce a greater measure of dissatisfaction among farmers at their prevailing return from wheat, (based on $1.35 per bushel) than observation of the rise in American grain prices. Repeatedly, farmers' organizations have indicated a willingness to accept prevailing levels only so long as their production costs do not rise. Abolition of the subsidy on sisal imports for twine manufacture threatens to increase binder twine costs by nine cents a pound or perhaps $7 millions of the total western supply. A steady advance of combine threshing in recent years, makes binder twine, each year, a progressively less important commodity; but many million pounds are still used each year and the need for twine increases whenever harvest weather is unfavorable for combining. The new twine price will increase the demand for new combines, but this demand was already in excess of the prospective available supply.

The transportation bottleneck is likely to continue to impede the export flow of Canadian wheat during the summer. The total quantity which can be accumulated in Lakehead terminals before the opening of navigation will be small. Supplies available for lake transport will not be sufficient to keep the usual grain fleet in continuous operation. The prospect is that after the first spring rush down the Lakes, many lake carriers will be diverted to other use.



More than 99% Cash Sales!

When almost a million and three-quarter people step up every week and pay cash for an article . . . there certainly *must* be something about it they like! Significant, then, is the fact that the great bulk of the Big Four's tremendous circulation is cash sales. You only have to go through these four week-end publications to realize *what* it is about them that people like! Section after section of grand reading matter . . . eye-arresting pictures . . . color and rotogravure . . . topnotch features by top-ranking writers . . . page after page of the world's best comics! Small wonder that these four national week-end newspapers hold such a favorite place in the home . . . and in the advertising budgets of so many national advertisers!

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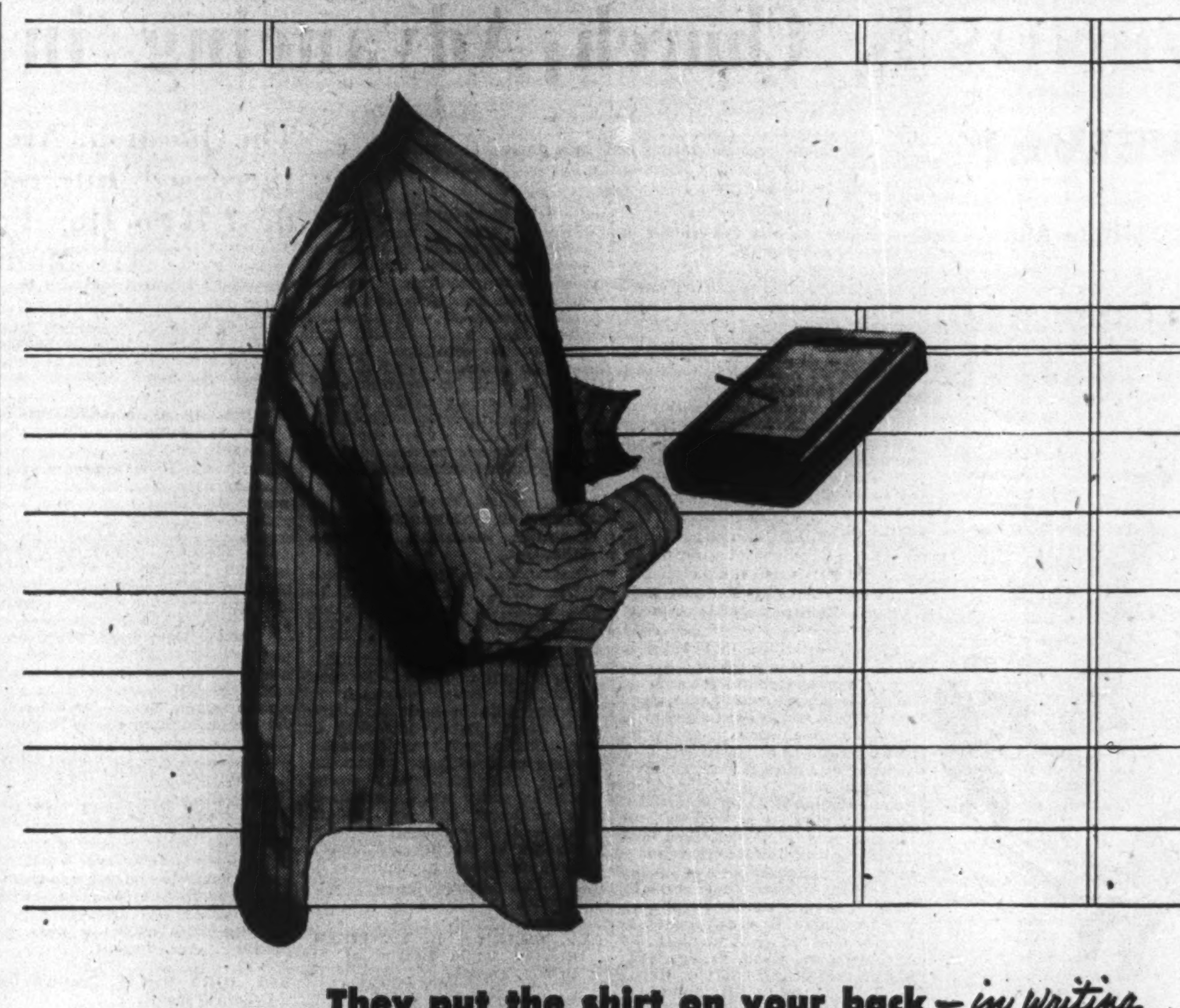

They put the shirt on your back—*in writing*

Of course, needles *are* necessary.

But so is *writing*—as the textile industry turns out pinafores for little ladies, denim for a coal-cracker, the madras shirt you wear so proudly. From cotton field to retail store, there's a *written record* on production forms, sales checks, shipping memos, invoices . . . on *business forms.*

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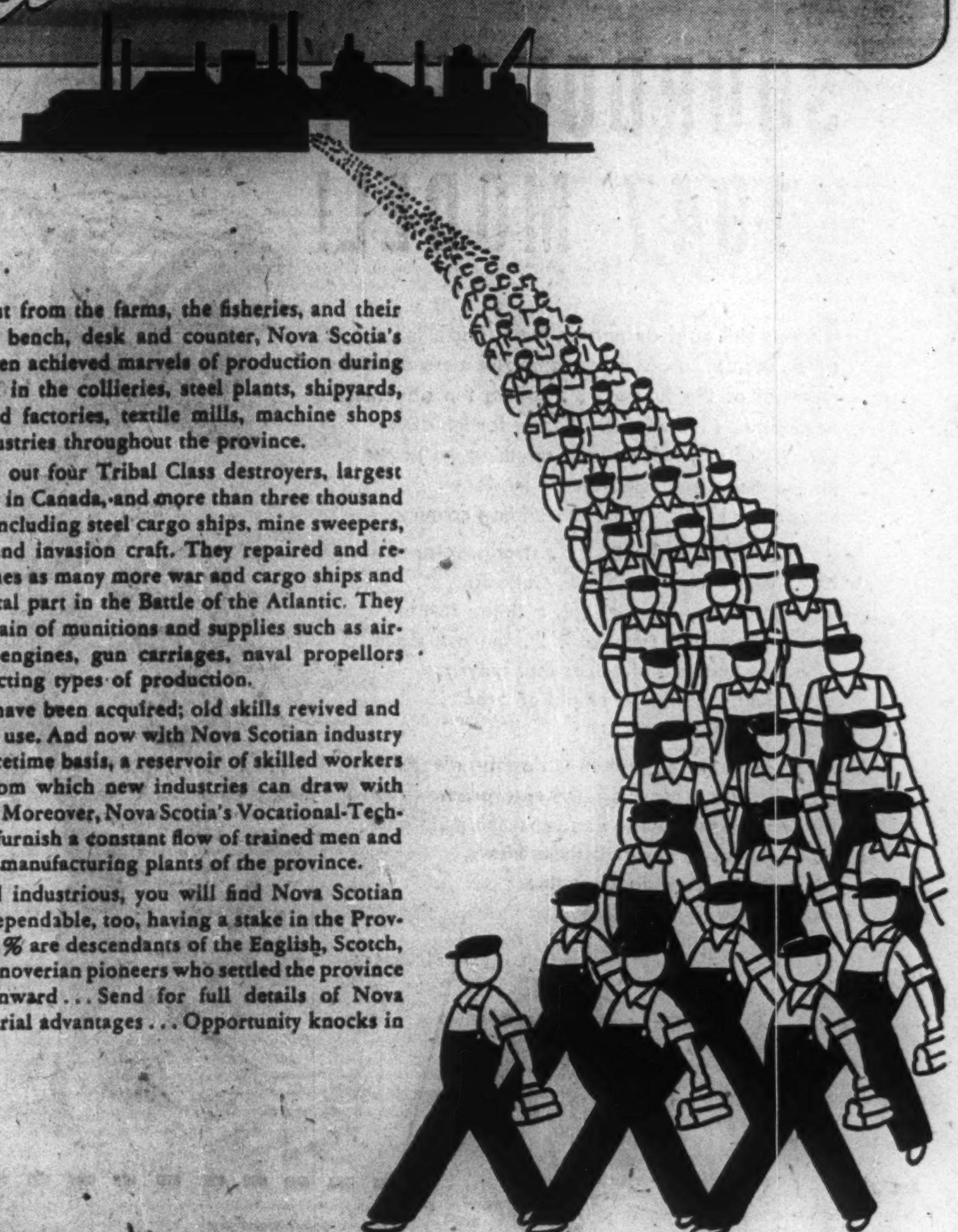

CALLED out from the farms, the fisheries, and their places at bench, desk and counter, Nova Scotia's men and women achieved marvels of production during World War II in the collieries, steel plants, shipyards, foundries, food factories, textile mills, machine shops and other industries throughout the province.

They turned out four Tribal Class destroyers, largest warships built in Canada, and more than three thousand other vessels including steel cargo ships, mine sweepers, patrol boats and invasion craft. They repaired and refitted three times as many more war and cargo ships and so played a vital part in the Battle of the Atlantic. They made a mountain of munitions and supplies such as aircraft, marine engines, gun carriages, naval propellors and other exacting types of production.

New skills have been acquired; old skills revived and put to modern use. And now with Nova Scotian industry back on a peacetime basis, a reservoir of skilled workers is available from which new industries can draw with confidence . . . Moreover, Nova Scotia's Vocational-Technical Schools furnish a constant flow of trained men and women to the manufacturing plants of the province.

Trained and industrious, you will find Nova Scotian workers are dependable, too, having a stake in the Province—since 95% are descendants of the English, Scotch, French and Hanoverian pioneers who settled the province from 1605 onward . . . Send for full details of Nova Scotia's industrial advantages . . . Opportunity knocks in Nova Scotia!

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Is Church Advancing in Canada?

The great majority of clergymen and other informed observers questioned by The Financial Post, agree that there has been a marked increase in interest in church activities during and since the war. Some draw a distinction between the phrase "church activities," and individual religious faith.

The Question: Are Canadians Showing Increased Interest in Church Activities? If So, How Permanent, and What Are Main Reasons?

REV. H. H BINGHAM, Secretary-treasurer, Baptist Convention of Ontario and Quebec.

Canada has suffered a moral slump owing to war and its aftermath, resulting in disrupted homes, juvenile delinquency and easy divorce. Now we notice a rising tide of interest in religion and church activities, as revealed in increased attendance at Sunday morning service and in Sunday Schools; an increased demand for aids in family devotions; a revived interest in preaching Christian doctrine; a new spirit of evangelism, and a revival of sense of stewardship of money, time and talent. Canadian churches are strengthening, and are an increasing force in molding public opinion on moral and social issues.

* * *

RT. REV. M. J. CLINE, Pastor Holy Name Roman Catholic Church, Toronto.

Church activities that have in mind the advancement and security of teen-age youth, seem to be on the increase. Adults who know the dangers of the open stadium of life at a time when potentialities and possibilities of young folk may make or mar their careers, manifest an ardent desire to provide a wholesome environment and recreational facilities, physical and mental, for untried youth, inexperienced and unseasoned in life's first venture, in religious pursuits such as Sunday observance, home management, family care and certain social obligations. There is a definite tendency toward the more practical side of religion and a better understanding of the fundamentals of Christianity. The stern philosophy of recent battlefields calls for Christ's way of life, the hard way, the straight way and the sure way, that ends in power and triumph.

* * *

T. M. DUTTON, Vice-president, Consolidated Bakeries of Canada Ltd., Toronto.

Canadians are showing more interest in church activities. Churchgoers today, though, are assuming that their duty is done if they attend at least once on Sunday—preferably in the morning. Interest will continue if our churches keep to the preaching of the word—God always honors His word. Provision must be made also for young people's activities within the church.

People appear to be grateful today for deliverance. Attendance and increased givings bear this out. Permanence may be given this interest by devoting more time to the service of praise. Services with gospel singing appear to be well attended.

* * *

RABBI ABRAHAM FEINBERG, Holy Blassam Temple, Toronto.

Holy Blossom congregation has greatly increased in membership and interest. The general religious situation perhaps reveals that trend. Among Canadians of Jewish faith it is seemingly the result of heightened need for religious fellowship in the world crisis, disillusionment with rationalistic science, a sense of uncertainty after the unparalleled Nazi slaughter of Jews in Europe, a renewal of spiritual bonds with basic ancestral tradition, a definite will to create a progressive type of Judaism integrated with Canadian cultural and social ideals, and readiness to substitute modern forms for orthodox legalism. Yet Canadian youth on the whole has apparently become critical of, and dissatisfied with, organized religion. The Church must indicate more active and dynamic concern with the social problems that shape the future.

* * *

GEORGE W. JAMES, Editor, The Canadian Statesman, Bowmanville, Ont.

Observation and enquiries in this district confirm that there is increased interest in church activities, particularly in rural church circles. The main reason is war, and the aftermath of present uncertainties in achieving lasting peace. People's minds have been redirected to Christian faith as basic to a new world order. Depth of feeling is unmistakable, but how permanent depends upon ultimate factors including more particularly strong continuing unity and leadership of both ministers and lay leaders. Many want a universal revivalist movement at this time. Financial support for church and missions is continuing. The outlook generally is hopeful.

* * *

REV. CHARLES B. LANPHIER, Director, Radio League of St. Michael, Toronto.

The religious pulse of the Catholic people of Canada is today strong and steady, with the gains made during the war years kept and even improved. Catholicism in Canada never tends to what others term "revivalism." That the religious chart shows an upswing even over war years is a healthy indication for Canada's national life, for two reasons—our comparative percentage of Canada's population, and the diversity of nationalities which compose our denomination. The weakening factors, mostly attributed to the war and the general instability of world conditions since its end, are juvenile delinquency and matrimonial breakups; both serious but not grave. However, the war brought a definite and decided increase of faith and fervor to Canadian Catholics. The youth who served in our Armed Forces since their return are serious minded and religiously inclined; the upward swing in our Catholic chart is mostly due to them.

Two principal factors are evident causes of our present healthy and strong religious condition. Again the war and, above all, Communism. The world threat of Communism must certainly be given credit for welding and strengthening the Catholic religious position in Canada today. Communism definitely has helped Canadian Catholicity and religion since since the war's end.

It is the opinion of the great majority of Catholic observers and writers that this is just the beginning of the turn to God and the things of the soul.

* * *

LT.-COL. W. G. MacKENDRICK, Chairman Bituminous Paving Co., Oakville, Ont.

World War II has caused a great spiritual awakening quite evident among Canadians both within and without the church, especially among sane thinking businessmen. As for increased interest, it is only beginning. Spiritual insight and belief in God's word will continue by leaps and bounds until, within a few years, Canadians of goodwill will all know the Lord. The reason why is that God has promised, "I will pour out my spirit on all flesh", and it seems to be on the wing. The church largely lies under the condemnation foretold by the prophet Ezekiel, chapter 34, for the shepherds of his flock. They have failed in their fundamental mission to inaugurate and uphold God's perfect national laws, good for 1,000 generations. Consequently, our nations have failed to reap the most outstanding benefits ever promised to man, including no war, and today, as a result, are wrestling with world chaos and tribulation unequalled since man was born, as the result of our neglect.

* * *

REV. JOHN McNAB, Presbyterian Record, Toronto.

Perhaps your question purposely distinguishes between religion itself and church activities. Evidence is that the masses, after a world upheaval feel that there is more potency in religion than they formerly credited. These are more haunted by than conquered by religion. Church activities in Sunday school and church worship suffered in wartime because heads of homes and other members were scattered. More settled conditions have brought Sunday school enrollment out of a slump, to above pre-war levels. Church attendance is more difficult to appraise but indications are of deeper interest in activities. Our Advance For Christ and Peace Thank-Offering have shown sacrificial giving. Permanency and increase depend upon an aggressive, dynamic Christian church.

* * *

GEORGE W. McRAE, Chairman, Laymen's Committee of Presbyterian Church, Toronto and Suburban areas.

During the war years, there was a general increase in church attendance, and insofar as I can ascertain, this interest has not only continued, but the attendance and interest since the war have increased. In addition, the financial support of the Presbyterian Churches, has shown a sharp increase, I believe that citizens generally have come to the point of realizing that if we are ever going to reach anywhere in this life with so many adversities, the Church should be a strong foundation upon which should be erected our future structure.

* * *

GLADSTONE MURRAY, Policy Counsel, Toronto; former general manager Canadian Broadcasting Corp.

Canadians certainly are showing increased interest in the spiritual, as distinct from the material. There is also a marked revival of regard for religion. Cynicism is not nearly as evident this time as it was after the 1914-18 affair. One result is resentment toward the aggressive irreligion of socialism and communism. But this resurgence of religious feeling has not yet enriched the organized churches whose preoccupation with non-essential puzzles discourages hundreds of thousands of potential members.

* * *

ALLAN MEIKLE, President, Canadian Federation of Labor, Ottawa.

I believe Canadians are showing greater interest in religious activities than before the war. This is generally true after a display of those physical forces which tend to destroy the finer qualities of human relations, when gross materialism is most in evidence and the preaching of hate has lost its punch. Most people have listened to the teachings of brotherly love, many times are minus a loved one in the late struggle, yet, having paid little attention to the actual furtherance of this doctrine, are jarred into activity as evidence appears in their community for joint action to help bolster the moral fibre of their fellow citizens. To maintain a permanency for this upsurge of spirit

(Continued on page 13)

INVESTMENT RECOMMENDATIONS FOR MONTREAL POWER OR OTHER FUNDS

	Approximate Earnings per Share 1946	*Annual Dividend*	*Approximate Market Price*	*Approximate Yield*
Belgium Glove & Hosiery Preferred	$ 10.00	$ 1.00	20	5.00%
Consolidated Textile Mills Preferred	6.00	1.00	19	5.25%
Esmond Mills Preferred	7.00	1.00	21¾	4.60%
Modern Containers Class "A"	3.25	1.00	21½	4.62%
Robinson Little Class "A"	3.50	1.00	19½	5.12%

Based on 1946 approximate results, an investment in an equal number of the above mentioned shares would provide a return of approximately 5% with average earnings six times annual dividend requirements.

These shares are listed on either the Montreal Curb Market or the Toronto Stock Exchange.

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It's a summons to Youth : : : strong, serene, fitted with wings. To Youth, Canada offers, in every walk of life, a future rich in satisfactions and rewards : : : the assurance of opportunities and prizes that only a new country on the threshold of great things can promise.

And Youth, to accomplish its destiny, awaits only the sound planning, the enterprising leadership, that alone can open the path and direct its course towards these New Horizons in Canada Unlimited.

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St. Regis Paper Company reports on 1946

Sales and Earnings at New High

	1946	1945
Net Sales	$82,782,186	$52,500,824
Net Profit	$ 5,563,604	$ 2,211,411

Properties Acquired in 1946	Additional Annual Capacity
Pulp and paper mill at (Cantonment) Pensacola, Fla.	42,000 tons of kraft pulp and 59,000 tons of kraft paper and paperboard
Pulp and paper mill at Pensacola, Fla.*	90,000 tons of kraft pulp and 86,000 tons of kraft paper
Pulp and paper mill at Bucksport, Me.	112,000 tons of pulp and 100,000 tons of printing and publication papers
Paper mills at Kalamazoo, Michigan	80,000 tons of printing and publication papers
Pulp and paper mill at Little Falls, Minnesota	10,000 tons of pulp and 12,000 tons of printing and publication papers
Paper mill at East Pepperell, Mass.	35,000 tons of kraft paper and kraft specialties

195,000 acres of Southern timberland

400,000 acres of timberland in Maine

*Under construction by company in which St. Regis has an interest.

Plant Expansion	Additional Annual Capacities
Multiwall bag plant at Pensacola, Florida (Under construction)	50,650 tons
New and enlarged bag plant facilities at Vancouver, B. C.; Dryden, Ont., and Cap de la Madeliene (Three Rivers), Québec	20,000 tons
$6,000,000 program at Deferiet, N. Y. mill (largely completed)	30,000 tons of printing and publication papers
$2,000,000 program at Trenton, N. J. plastics plant (completed)	10,000,000 lbs. of Panelyte plastic

Development of Products, Markets and Methods of Production

Bleaching of sulphite and groundwood pulps by St. Regis patented procedure

Application of coating material to the surface of paper as it is being manufactured on paper machines

Panelyte drip baffle plates for refrigerators

One-piece Panelyte door frames and breaker strips, with hidden fastening devices attached, for refrigeration

Decorative Panelyte for table tops, bars, furniture

Multiwall paper bags adapted for new fields (over 400 commodities how being packed)

Multiwall paper bags . . . expansion within existing markets

New mechanized bag-making equipment

Summary of Consolidated Income for the Year Ended December 31, 1946

Net Sales, Royalties, and Rentals	$82,782,186.06
Cost of Sales and Expenses	74,118,642.88
Operating Income	8,663,543.18
Income Credits	1,443,445.00
Gross Income	10,106,988.18
Income Charges	582,546.28
Net Income Before Provision for Federal and Foreign Income and Excess Profits Taxes	9,524,441.90
Provision for Federal and Foreign Income and Excess Profits Taxes	3,785,207.87
Net Income Before Deduction of Minority Interests	5,739,234.03
Deduct Minority Interests in Income	175,630.47
Net Income	$ 5,563,603.56

Looking Forward

A full twelve-month operation of original and newly acquired properties is expected to increase the sales volume for 1947 to more than $110,000,000. Completion of plans for plant modernization and installation of mechanized high-speed equipment will increase manufacturing efficiency with resulting economies. The unity of interest between labor and management was furthered during 1946, and the personnel of recently acquired mills is being rapidly merged into the St. Regis organization. The Company's products continue to supply the needs of the customers engaged in twenty-one basic American industries.

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ORLAC RED LAKE MINES advises that high-grade ore has been opened for 100 ft. in 202N drift. About 30 ft. of length averaged well over an ounce across widths of from 5½ to 11½ ft., including individual assays ranging from $33.60 and $393.40. Assays along the entire length have shown values ranging from $5 to $7. Last face assayed from a trace over 1½ ft. to $6.30 over 1 ft. and $15.40 across 3 ft.

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MONTREAL WINNIPEG

Progress of the Church Reported Across Canada

(Continued from page 12)

is a great challenge to all religious thought, as people, being subject to environment, are seeking also in this move, active guidance in the improving of economic conditions that will afford ample opportunity to the building of a fuller life.

* * *

REV. J. R. MUTCHMOR, Secretary, United Church Board of Evangelism and Social Service, Toronto.

Evidence of increased church activities is slightly larger. A public opinion poll reported larger Sunday congregations, growth in junior grade church schools, return of rather a high percentage of veterans to churches and definitely, a higher rate of adult conversions. Decline in observance of the Lord's Day, particularly in larger cities and western provinces is a definite handicap. I believe that on balance, evidence warrants the view that spiritual progress being made is permanent and abiding, but a current moral slump threatens church life. Limited social witness reduces the churches' vigor and warmth. The sphere of churches, worship, work and witness will increase more as men turn increasingly to God instead of selling Him short.

* * *

ROGER OUIMET, K.C., Lawyer, Montreal.

If by church activities you mean bingo games, picnics, rummage sales or bazaars, I would venture to say that interest is apparently unshaken with a tendency to remain so. The main reasons seem too obvious to require explanation. If, on the other hand, you mean attendance at religious services, taking part in theological discussions, studying holy writ and praying, I feel that Canadians are more interested than before the war; mainly because of the general fear of the unknown, of the uncertainty of the future in a cataclysmic period and of man's natural need for some faith when human values are disintegrating. If churches and denominations keep on the alert and are prepared to forget politics and deal in supernatural values, Canadians will continue showing increased interest in church activities.

* * *

MOST REV. DERWYN T. OWEN, Primate, Church of England in Canada.

It is my opinion that some Canadians are showing an increased interest in Church activities. One reason for this is the growing sense of man's need of Divine help and guidance in the midst of the confusions and anomalies of the day. There is an increased conviction that man cannot save himself. He needs the help and guidance of God Almighty, and a greater faith in the simple fact that only on the essential and fundamental truths of the Christian faith can the City of Peace be built. This is all witnessed to, in part, by the sacrificial response made to the Anglican Advance and similar appeals. How permanent this is, only time can tell; but I believe that every act of faith, sacrifice, and true Christian service stands forever and becomes part of the heritage of the whole race. If not, what else can help us?

* * *

ELMORE PHILPOT, Political Columnist, Vancouver.

Despite conspicuous exceptions, the obvious trend is that churches play a visibly lessening part in Canadian life. The automobile trip habit is chiefly responsible, and also revolt against Sabbatarian restrictions on fun. But the main reason for the progressive decline is waning belief that churches offer anything vital. Decline in church connection is not necessarily proof of considered public rejection of the values taught by Jesus, but rather non-conviction that the 1947 church is an essential link with them.

* * *

G. R. A. RICE, Radio Station, CFRN, Edmonton, Alta.

Indications suggest that Canadians are definitely showing more active interest in church and religious affairs. Natural reaction after the world war, that disrupted nations, is to turn to churches for guidance. Also, modern ministers use a more human approach to religious topics, more flexibility in religion, and better presentation to congregations as evidenced by greater use of radio as a religious medium and more careful selection of voice types to appeal to listeners. National thought is becoming more serious and as such, is seeking permanent religious guidance.

* * *

GEORGE SPENCE, Director, Prairie Farm Rehabilitation Act, Regina.

Clerics and churchmen report a more steady church attendance and a quickened interest in church activities both during the war and since. There is, too, a growing awareness of the need for a higher level of ethics in human affairs, together with a realization that naked materialism by itself is not enough. This realization is not, as yet, finding expression in any great emotional upsurge or revival. People generally are realistic. They know that the things which they sought for satisfaction, have failed them. They see mass misery and ruin in Europe as evidence of what follows when the materialistic conception of life is substituted for the spiritual. They are, therefore, ready and looking for spiritual leadership.

* * *

HON. H. H. STEVENS, Vancouver, former Minister of Trade & Commerce.

Canadians are inherently sound ethically and morally and are pondering modern economic, social and political problems from such a standpoint. Consequently they are turning more and more to Christian philosophy and teachings for the answer to embarrassing entanglements, both domestic and international. This trend has not as yet assumed the nature of a wholesale recognition of organized Christianity exemplified in the churches. It is, rather, a wider and more articulate acknowledgement of the Christian teachings as the only alternative to chaos, hatred and greed.

* * *

LT.-COL. CYRIL WIGHTMAN, Assistant advertising manager, Daily Colonist, Vancouver.

There can be no doubt that there has been a noticeable increase in church attendance since the end of the war. This appears due to two reasons. First, an uncertainty caused by economic and political unrest, plus a mortality fear based on the atomic bomb and other unknown weapons, which has caused many thousands to search for a deeper conviction of faith. Secondly, the veteran, since his return has turned to the church and has a clearer and more sincere understanding of Christian principles. The war, with all its horrors, brought the veteran face to face with the realities of life and death. To him the padre was a confidant and savior, and he still remembers the spiritual comfort he represented.

* * *

MOST REV. ALEXANDRE VACHON, Archbishop, Ottawa.

Canadians are showing increased interest in church activities. Many new parishes have been established and many more are needed. Churches are overcrowded. Church societies are flourishing and people are showing great interest in religious demonstrations. This is proven by the interest in the National Marian Congress being held in Ottawa next June. Realization of the great need of prayer is manifested by the thousands of applications received from those anxious to take part in this congress, which is being held to ask God's blessing on our country and for a lasting peace.

These shares having been sold, this advertisement appears as a matter of record only.

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5% Cumulative Redeemable Preferred Stock, $100 par value	1,500,000	1,500,000
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Class "A" Shares, no par value	150,000 shs.	100,000 shs.

The 5% and the 4¼% Preferred Stocks rank pari passu.

Information concerning this issue is contained in the prospectus, a copy of which has been fyled with the Secretary of State of Canada in accordance with the provisions of the Companies Act, 1934 and Amendments. Copies may be had upon application.

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These shares are, in the opinion of Counsel, a legal investment for funds of Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932, as amended.

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NOW... they build roofs with Air & Glass

Yes, strange as it sounds, modern firms *are* turning to "Air and Glass" for roofing! The glass is specially processed by means of an expansion of gases. And it becomes FOAMGLAS Insulation, composed of millions of tiny air cells, sealed in glass!

The development of Foamglas is typical of the inventiveness and research behind the Hobbs line... the answer of glass chemists and technicians to the demand for a *permanent* insulation.

Foamglas is impervious to moisture, vapor and the fumes of most acids. It will not burn. It repels vermin. It will not swell, shrink or rot. Yet it is so light that it floats . . . and during the war was used extensively in life rafts.

The *finest* products of modern glass research are brought to you by Hobbs. More glass wonders, now in the laboratories, will soon be on their way to you! Remember—in Canada it's HOBBS for glass!

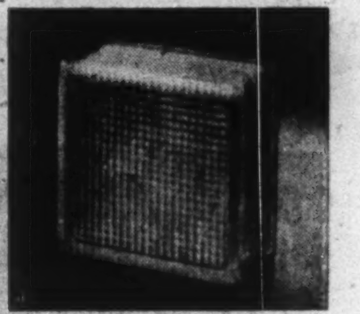
• A knife cuts Foamglas with the greatest of ease. Trimming to fit special shapes is a simple matter.

Get daylight *plus* insulation with PC Glass Blocks

Pittsburgh Corning Glass Blocks transmit *controlled* daylight, diffused according to the pattern used. PC Glass Blocks contain a sealed-in dead-air space that gives effective insulation, reduces heat loss, eliminates condensation.

In homes, buildings, factories, shops, PC Glass Blocks keep out noise and dirt, maintain privacy. Easy to install, easy to clean. No sash to rot, no painting required. Your architect knows the uses of PC Glass Blocks. Consult him before you build or remodel. For additional information check our local branch, or write to Hobbs Glass Limited, Dept, L2, London, Canada, for descriptive folder.

And come to Hobbs too for: Twindow insulating windowpanes • Coolite glare-reducing glass • Corrugated glass • Herculite tempered glass • Nucite glass chalkboard • Plate glass • Safety glass • Mirrors • Carrara • Plexiglas



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More than three-quarters of a million Canadians from coast to coast already testify to their complete and enthusiastic satisfaction with I.A.C.'s consistent service, its fairness of spirit and sincerity of purpose.

Whatever purchase you wish to finance—car, plane, industrial or household equipment—any major undertaking—I.A.C.'s financial service is at your command. Discuss the matter readily, freely and in confidence with your nearest I.A.C. manager.

Industrial Acceptance Corporation
Limited

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Locks Bottle Like Safe

The U. S. Manufacturers of a new plastic combination bottle cap claim that it will "lock a bottle like a safe."

• • •

Rubber Link Door Mat

A nonslip surface strengthened by strips of tubing is claimed by the manufacturers to be one of the features of a new rubber link door mat now ready for the Canadian market. There are no exposed metal parts.

• • •

Midget Fluorescent Lamp

A fluorescent lamp designed in the U. S. produces a light intensity of 550 ft.-candles at a working distance of three inches, features which the manufacturers claim make it ideal for jewellers and for other work on small parts and small precision machines. Operates at 115F, said to minimize radiant heat and hot surfaces. Twin four-watt bulbs are rated at 2,500 hours normal life.

• • •

Railway Travel Comfort

Two innovations for the comfort and pleasure of railway travellers have been announced in the U. S. One is an individual radio, set at ear-level, with which the seat-occupant may tune in a station without disturbing the person next to him. The other is a foot rest built into the back of the seat. Occupant of the seat behind pulls down the rest and can stretch out in comparative comfort.

• • •

Plastic Splicing Tape

A self-adhesive splicing tape made of plastics is announced by Northern Electric, who claim it has high tensile strength; resistance to oil, water and gasoline and is extremely pliable. Having high insulation qualities, it is intended for covering splices in all types of electric wires and cables.

• • •

Cooling Bldgs. With Paint

A new paint which will help to keep buildings cooler in warm weather is reported in the United States. It's brown, but when applied aluminum particles rise to the surface and form metallic reflector for the heat.

• • •

Midget Autos For U. S.

The 1948 Playboy, a convertible midget auto, is being produced in the United States. Weighing 1,820 lb., it has a four-cylinder Continental rear-mounted engine, independent wheel suspension. The automatic drive dispenses with clutch pedal and gear shift.

• • •

Better Farmhouses

Manitoba Government's rural housing committee has issued first of a series of "bulletins in plain language" which will outline for farmers best practice in sound home planning, building and renovation. Bulletin No. 1 is on lighting. Pictures and text illustrate importance of careful positioning of windows for maximum daylight, and of selecting and placing artificial light fixtures for maximum comfort and eye health.

• • •

Electrician's Solder Pot

A solder pot which the U. S. manufacturers claim will solder 55 to 75 joints with one heat is now being produced. One advantage claimed is that any type flame or fire will heat the unit; a special swinging cup will prevent spillage and an extension bit allows the user to reach high places without a ladder.

• • •

Stairs in a Box

Stairs for your house can be delivered in a box the size of a bureau drawer. "Lokstep" pressed steel sectional parts are to be made at Preston, Ont., by Eastern Steel Products and, starting about July 1, will be distributed in eastern Canada through building supply dealers. You assemble them "in 90 minutes" by bolting the parts together, then screwing to new wood stair frame or over old stairs. It's a development of Homeola Corp., Chicago, makers of "manufactured" homes and standardized parts.

• • •

Typewriter Justifier

Designed to fit all standard makes of typewriters, a right-hand margin justifier is now being manufactured in the U. S. The makers claim it will not interfere with normal operation of the typewriter; can be used for house organs with mimeograph, hectograph and other methods of duplication; neutral setting renders justifier inoperative when not needed.

Fly Freight Anywhere Ex-servicemen's Offer

MONTREAL (Staff)—With its application for the establishment of a commercial air service recently approved by the Air Transport Board, one of Canada's largest nonscheduled operators has entered the air freight business. World Wide Aviation Agencies & Sales Inc., Montreal, with $100,000 tied up in three DC-3's and a Beachcraft Bonanza, is ready to find out how profitable air freight is in Canada.

World Wide Aviation is pretty much an all-veteran enterprise which started from scratch. President D. W. McVicker and Secretary-Treasurer W. H. Baskerville are both ex-RAF men. J. A. McVicker, father of the president, is vice-president. Company officials say the company first started as an agency business. When it was incorporated in December, 1945, the plan was that it would act as agent in providing pilots and other aircraft operators for ferry work. Business boomed to such an extent that the company was soon employing its own aircrew and ferrying planes around the world on a fee basis.

Now that the bloom is off the rose as far as the ferry business is concerned, World Wide finds it has enough in the kitty to launch into the air-freight business. Secretary-Treasurer Baskerville says the agency idea clicked right from the start. This has meant that the company has never had to do any heavy borrowing, and is able to finance purchase of its third DC-3 from United Kingdom out of earnings.

Hopes for Passengers

As a nonscheduled operator, World Wide will fly goods anywhere within Canada or to foreign countries. With its Beachcraft Bonanza, it hopes to pick up a fair amount of charter passenger business. At present World Wide Aviation is still dickering with the Air Transport Board on tariffs. Eventually, however, it expects to be able to quote firm prices for freight traffic.

Some observers are wondering what the immediate future holds for the air freight business. In 1945, revenues of air carriers in Canada from freight scheduled and nonscheduled, totalled $1.3 millions. Last year carriers collected approximately $841,832 for goods shipped by air for the first ten months.

Most of this business, however, is collected by scheduled carriers. In 1945, only 5% of the revenues went to nonscheduled operators. Also, most of the air freight in Canada, up to the present, has originated in the northern areas; supplies, machinery, etc. to mining and lumber camps. These districts are served by airlines based in northern cities or outposts.

Traffic Is Growing

On the other side of the ledger, however, is the fact that freight forwarders and big U. S. airlines are pushing air freight. Lep Transport (Can.) Ltd. recently incorporated Lep Air Service (Can.) to handle its freight business moving by air. Already Lep has flown several cargoes of luxury goods to South America. Business such as this might well go to companies like World Wide Aviation, since these shipments were handled by a U. S. nonscheduled operator. Some of the larger department stores have also used air freight to bring in quality merchandise from foreign countries.

Nonscheduled operators are also encouraged by the fact that TCA appears to have little interest in air freight. Although it carries air express on its regular passenger flights, TCA has steered clear of building up a freight business comparable to American Airline or United Airlines in United States. Canadian Pacific Airlines is probably the biggest carrier of air freight in Canada but is of course a scheduled carrier.

While the future of air freight may be a little obscure, World Wide Aviation appears to be well equipped to make its bid. It has about 20 veteran aircraft operators on its payroll; also has had wide experience in international flying. The company employs its own maintenance crews and if present plans work out, it will build its own aircraft hangar this spring.

Cyanidation Method Likely For Colomac

Straight cyanidation is the most efficient method for recovering gold from Colomac Yellowknife Mines ore, The Financial Post is advised. Metallurgical tests by the Department of Mines, Ottawa, on rejects from bulk sampling of material from crosscuts driven across the ore zone, indicate that an extraction of nearly 94% can be made without extremely fine grinding.

Straight amalgamation gave such satisfactory results at a comparatively coarse grind that any process finally worked out for treatment would necessarily consider amalgamation if milling costs, plus tailings loss, were a lower figure than by straight cyanidation, the company adds.

Tests carried out by E. A. Lilge, Dept. of Mines and Metallurgy, University of Alberta, also obtained results which lead to the same conclusion.

SARATOGA EXPLORATION CO. has been incorporated to obtain a diversification of mining interests rather than concentrating their expenditures in one group of claims. Saratoga is capitalized at three million shares with 600,000 shares issued as vendor stock.

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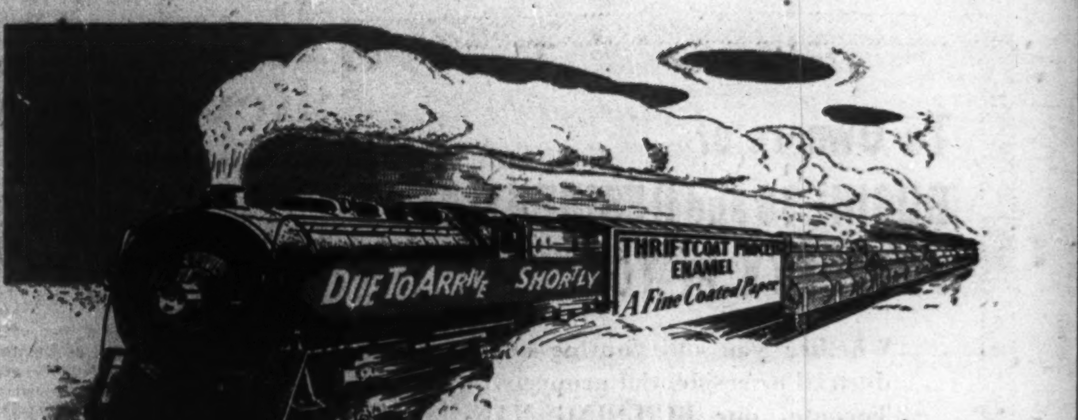

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THRIFTCOAT PROCESS ENAMEL will be a welcome addition to the Provincial line of fine papers which includes such specialties as Super Calendered, Book, Coated and Offset papers.

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New Safety Hydraulic Brakes • New Rustproofing • Patented Floating Power Engine Mountings to smother vibration • New Quieter Starter with button on dash • Safety-Rim Wheels for blowout protection • New Front-end Sway Eliminator • All-Steel Safety Body • New Body Guard Bumper • Hotchkiss Drive to cushion starting and stopping • New Light-weight Aluminum Pistons • Wear-resisting Superfinished Parts • New Gasoline Filter • Scientifically Balanced Ride.

For 19 years Chrysler Engineers have devoted their outstanding talents to the development of Plymouth! They have pioneered, developed, or introduced a greater number of noteworthy Engineering Features than any other corps of Engineers in the automobile industry. That's why Plymouth is most like the high-priced cars in quality features.

Plymouth owners will tell you that Plymouth is a *great* car—in performance, economy, long-life, safety, and reliability. Plymouth IS great because it's engineered and built by Chrysler.

THE QUALITY CAR . . . PRICED WITH THE LOWEST

The Financial Post

Vol. XLI — Publication Office: Toronto, March 15, 1947 — No. 11

Where the Pruning Knife Fell

Defense, Veterans, Interest Costs Slashed in Dominion Estimates But Some Departments Will Still Cost More Than Last Year

By KENNETH R. WILSON

OTTAWA — The really important thing about federal government estimates of 1947-48 expenditures is to find out for what services and uses the taxpayers' money is going to be spent.

This breakdown is shown in an accompanying table.

Summarized, it shows that out of about $2 billions provided for in the "main" or preliminary estimates, the distribution is roughly as follows:

23% for interest and debt charges.
18% for veterans (including World War I).
13% for family allowances.
12% for the armed forces.
9% for provincial payments (including old age pensions and tax transfer payments to the six "agreeing" provinces). The latter are not included in the government figures but will be added in later "supplementary" estimates.
25% for all other departments and expenditures of governments.

Within these broad groups a number of small items of interest are found. Highlights follow:

Immigration is billed to spend $3.2 millions compared with $3 millions in 1946-47.

Income Tax collection is to cost $15.3 millions against $13 millions estimated for 1946-47. Almost all the increase ($2 millions) is to go for district offices.

National Film Board estimates are up $819,400 for a total of $2,079,000. Of the total $862,000 is for distribution of films; $766,000 for film production.

Canadian Broadcasting Corp. gets $1.4 millions for maintenance and operation of its short-wave station; $23,500 for capital costs.

Government Economy (known officially as "Government Office Economies Control Division") is billed to cost $10,648.

Public Works are billed to cost $48.6 millions, of which $13 millions is for maintenance and operation of federal public building, $9 millions for construction, repairs and improvements in public buildings (mostly a revote of moneys voted but not spent in 1946-47); $21.6 millions for construction, improvement and repair to harbors and rivers.

Reconstruction and Supply is billed to go ahead in 1947-48 as a full-fledged department of government, even though the department (as such) was slated to disappear entirely as at March 31 of this year. It is down to spend $17.3 millions on ordinary or peacetime functions, of which $4.9 millions is for coal subsidies; $6.5 millions for National Research Council, and $5.8 for Atomic Energy Control. Its total budget of $70.6 millions includes $27.5 millions for Wartime Housing, $5 millions for "reconstruction projects" and $5 millions for (a new item) production subsidies to Canadian steel producers.

Subsidy costs are slated to be cut in half with $35 millions to be spent by WPTB and $30 millions for agricultural products. Bulk of the latter is freight assistance on western feed grains ($21 millions). The subsidy on butter, milk and cheese (estimated to cost $48.55 millions in 1946-47) is now put down on a "clean-up" basis at $2 millions.

National Defense estimates appear for the first time under one co-ordinated figure for the three services. The amount is $226.7 millions and includes $29.8 millions "to authorize commitments against future years."

The detailed breakdown includes: pay and allowances $84 millions; civil salaries and wages $24.9 millions; stores and equipment $35 millions; property maintenance, repairs, etc., $25.3 millions; Northwest Staging Route $6.3 millions; Northwest (Alaska) Highway system $5.4 millions.

Defense Research is down for $13 millions, including $2 millions for "commitments against future years."

War Contracts are slated to be cleaned up and liquidated in 1947-48 at a total cost of $7.5 millions compared with $111 millions allocated in the public accounts for 1946-47.

Government Spending This Year and Last Shows Where Abbott Wielded Pruning Knife

	Main Estimate 1947-48	Main and Supplementary Estimate 1946-47	Actual 10 mos. 1946-47
Veterans			
Gratuities	$ 10.0	$ 266.4	$ ...
Rehabilitation benefits	94.9	119.1	...
Re-establishment credits	70.0	60.0	...
Hospitals, medical treatment, etc.	59.6	96.1	...
Pensions, World War 2	43.0	37.0	...
Pensions, World War 1	52.9	52.7	...
Administration, etc.	33.1	36.0	...
	363.5	667.3	508.8
Armed Forces (including research)	239.7†	501.3	294.8
Interest and debt charges	464.9	481.3	364.2
Family allowances	260.0	250.0	202.2
Subsidies			
WPTB	35.0	90.0	...
Agricultural	30.1	94.2	...
Coal	4.9	4.9	...
Steel	5.0	...	...
	93.0	207.1	*
Dept. Reconsctruction & Supply			
Contract terminations, etc.	7.5	111.4	...
Housing	27.5	42.0	...
Other	35.6	77.1	...
*	70.6	230.5	70.3
Payments to provinces	76.5‡	99.1	91.9
Post office	67.2	64.9	50.3
Public works	48.6	46.8	23.4
Old age and blind pensions	48.3	44.4	33.7
Labor	49.7	63.8	41.7
Collection of taxes	32.5	27.5	21.9
Other departments	180.4	216.0	268.8
Grand total	$1,995.9	$2,900.0	$1,954.0

*Included in other departments.
†Includes $29.8 millions "commitment against future years."
‡Of which $62 millions is tax "holdbacks" repayable under wartime tax agreements.

Lend-Lease or Not Lend-Lease? Here's Canada's Part in Picture

By KENNTH R. WILSON

Perhaps it's a long time since you heard the old canard about Canada getting Lend-Lease aid from the United States. But believe it or not it is still circulating around. And something must be done about it.

Not long ago an American reader of The Financial Post drew attention to an "official" figure of $669,169,273.67. He pointed out that "according to one of the Congressmen of the United States" this is the inclusive total of lease-lend aid received by Canada from the United States up to and including July 1, 1946.

The figure is right, but its interpretation wrong. The Congressional Record clears up the mystery.

The figure refers not to lend-lease "aid" given by the United States, but to lend-lease "exports" from that country to Canada. This distinction is important but it is one which the average reader, whether in Canada or the U. S., would not be expected to make.

How it Happened

What it means is that Canada, although receiving no lend-lease aid during the war, appears in U. S. lend-lease bookkeeping because of her part in these transactions:

1. Military equipment and its components, routed through Canada for re-export to the United Kingdom or other United Nations, either directly or after further fabrication in Canadian factories.

2. Trainer planes and small quantities of other supplies brought into Canada for use of Norwegian, Polish and other United Nations units training on Canadian soil.

3. Supplies Canada had purchased for cash in the United States for her own war effort and which were purchased through the lend-lease procurement machinery. (Jeeps were a case in point).

As already noted, the total of this procurement reached something short of $700 millions, or 2% of total U. S. exports under lend-lease. Periodically, in the early stages of the war, the Americans took the trouble to print in their official lend-lease an explanation.

In the 13th report to Congress on lend-lease operations for the period ended November 13, 1943, there appears this comment:

Congress Explanation

"The Canadian and American war-production programs are closely integrated under the Hyde Park agreement, but Canada pays cash for all aid for herself that she receives from the United States. She buys from us for cash a large part of the requirements for her war production and we buy for cash from her fighting equipment produced in her factories, as well as such war materials as nickel, of which she produces more than 90% of the world's supply.

"Lend-lease exports to and through Canada from the United States are valued at $350,000,000 since March, 1941. These exports consist of military equipment and its components, principally for re-export from Canada to the United Kingdom or other United Nations either directly or after further fabrication in Canadian factories. These goods are transferred by the United States under lend-lease, not to Canada, but to the countries of ultimate destination. Other lend-lease exports to Canada have included trainer planes and small quantities of other supplies for the use of Norwegian, Polish, and other United Nations units in training on Canadian soil. The balance of lend-lease exports to Canada consists of supplies Canada has purchased for cash in this country for her own war effort, using the lend-lease procurement machinery."

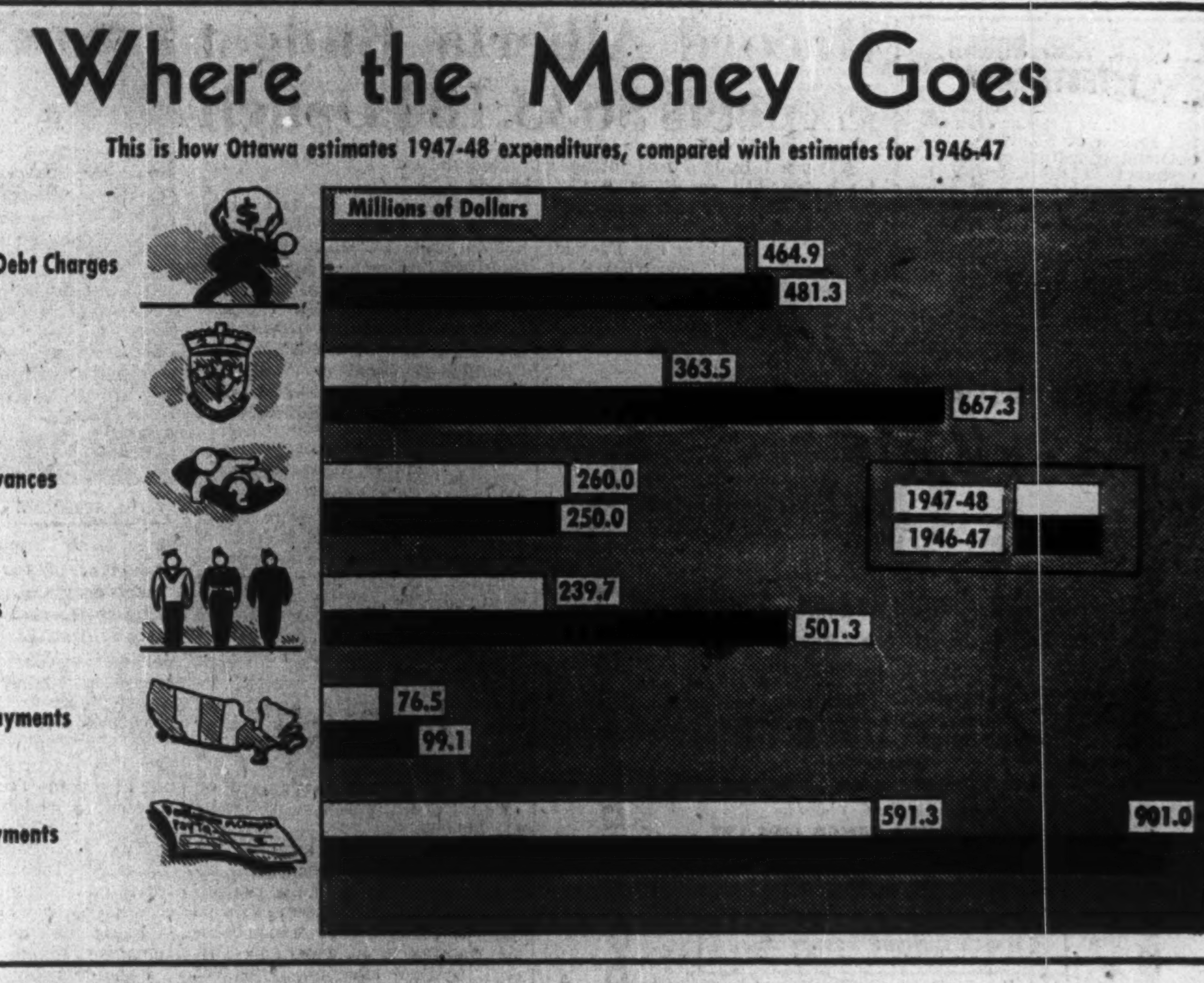
But so far as can be ascertained, there has been no such explanation published since about 1943 or 1944. Meanwhile, when reports on lend lease are printed in Washington for Congressional or other use, this "official" and entirely misleading figure of lend-lease "exports" usually crops up.

What to do about it?

Perhaps an official "explanation" by someone like Mr. King or Mr. St. Laurent would help.

More important, our Department of External Affairs at Ottawa and Washington should make sure that whenever, in future, a report is made to Congress on U. S. lend-lease operations, this explanatory footnote on Canada should be inserted.

Only in this way is there any assurance that Americans, when they read their official documents, will have the complete information, and not just half the picture.



How to Keep Out of Trouble—XIV

Who Pays for Doctors and Lost Time If Accident Strikes Your Household?

By DONALD G. MACLEAN

Living is a dangerous business.

It doesn't matter whether you are at home or elsewhere, the chances of an accident are always present. When the accident comes the results may be costly—unless you are insured.

Apart from the constant danger of fire around the home, there is always the possibility of someone's suffering severe burns on a hot stove, an electric iron or toaster.

Your wife may turn her ankle on the stair and have a bad fall, breaking bones or causing serious internal injuries. Your hand may slip when adjusting the electric fan and your fingers get badly cut or broken. The results may be costly.

Going home from the office you may fall, break your ankle and be laid up for several weeks, with heavy medical expenses and the loss of valuable time resulting.

It Could Happen to You

Take one actual case. A Toronto businessman went out one evening in early spring to get a breath of fresh air on his front lawn. He was only out a few minutes and then turned to come back into the house. On the sidewalk just before he reached the front steps there was a thin film of glare ice on the cement. He fell backwards on the steps of house, breaking three ribs.

It wasn't a serious accident, but there was much pain and discomfort for several days and he was unable to attend his office. As a salesman it meant delay in closing several important deals; and in addition there was considerable expense having the injury attended to by his physician. Under an accident policy, however, he got $25 for physician's fees, $15 X-ray charges and $50 for time lost from the office.

In another case the daughter of a family, turning off the water in the bathroom sink, broke the porcelain tap, cutting her hand badly. It was necessary to put in several stitches and as the hand later became infected, the father incurred considerable expense before the wound was properly healed.

Housewives' Hazards

In another case the wife, hanging clothes on a line at the back door in winter, slipped on ice and fell, injuring her back severely. She finally had to have an operation and it was several months before she was able to take charge of her house again, besides suffering severely in the meantime. The medical expenses were heavy and meanwhile the family organization was badly disrupted.

It doesn't matter whether you are at home or elsewhere; the chances of an accident are always present.

A Toronto businessman took a short cut across a vacant lot one night. He stepped on a stone and fell, breaking the cartilege in his ankle. He was confined to the house three days until he got a walking cast on, and then for three weeks was unable to visit his customers as usual. His accident insurance policy, however, paid his medical fees and $50 for lost time.

Can Buy Protection

Both the householder and the individual can get insurance protection like this against practically all accidents. These policies pay indemnity for time lost from work, as well as doctors' and nurses' fees, hospital charges and X-ray expenses. They are good whether the accident is incurred around the home or away.

Premiums vary according to the protection given. There is usually a death benefit payable in case of accidental death, and special indemnity is provided for loss of sight, hearing, arms or legs. Then there is usually an income provided for a stated period, in some cases for life, when the householder is disabled and confined to the house.

A common example of the benefits is an allowance of $3.50 a day for hospital expenses. This would normally pay the expense in a public ward. If a private room is required, the insured pays the difference.

Benefits Graded

Then there are graded benefits. A moderate priced policy pays say $5,000 for accidental death, loss of both hands, both feet, or both eyes, or one hand and one foot, $2,500 for loss of one hand or one foot, one third of the total death benefit for one eye. Varying amounts are allowed for loss of time at the insured's occupation. Expenses allowed include doctors' services, extra nursing services, operations, anaesthetics, etc., the premium varying with the benefits.

There are other variations, such as when the income doesn't begin until a week or a month has elapsed after the time of the accident. In such cases the premium is reduced. This is somewhat similar to the deductible clause in an automobile collision policy. Then the policy may be limited to certain types of accidents, some causes of accidents being excluded. Usually, however, these policies are flexible and can be tailored to the needs of every individual.

Which Do We Need Most: $238 Millions or an Army?

Why spend $238 millions on military forces that can't do the job for which they are intended and keep 40,000 prime young men in unproductive work, this writer asks. Atomic and ideological warfare is our only conceivable threat and the ideological war is now going on. Maintaining reasonable prosperity is our most important task and our only effective defense. Then, says this writer, why not save this vast expense, spend the money on immigration, scientific research and encourage initiative by reduced taxation?

Author of this article is Stuart Armour, an occasional contributor to The Financial Post. The Post publishes this article to "air" these views, not necessarily to support them.

By STUART ARMOUR

Ottawa has decided that Canada will not have peacetime conscription. But why stop there? Why not recognize the peculiar and possibly dangerous position in which Canada now finds herself, and abolish our armed forces altogether?

The suggestion is made in all seriousness.

Ottawa plans an eventual regular Canadian defense force of some 51,000, all ranks, backed by reserve formations totalling another 180,000. But for the present the regular forces will total only about 38,000, the reserve body another 50,000.

The yearly cost of raising, equipping, training, supplying and paying defense forces, even on this curtailed scale, has been estimated by Ottawa at $238,000,000. This sum represents the yearly return at 3% on a capital investment of nearly $8 billions.

What will we Canadians get for this large annual expenditure?

What worth-while offset will there be to the tying up for nonproductive purposes of nearly $8 billions of capital?

Why should 12 million people, already heavily burdened with debt, saddle themselves with yearly expenditures on this scale?

These are questions which should exercise the public mind. Moreover, they are questions which demand prompt and unequivocal replies from the Government.

Defense authorities will, of course, attempt to justify the yearly spending of $238 millions by references to "national prestige," "the safety of our homes," and "Canada's obligations to a world society." These are resounding phrases, but they do not even attempt to answer the question. For it needs little reflection to lead to the conclusion that not even the yearly expenditure of $238 millions is likely to protect us from the only foe now discernible upon our horizon.

Weaker or Stronger?

In fact, it may not be going too far to say that the annual expenditure of any such sizeable sum on anything so economically unproductive as defense forces is likely to weaken rather than to strengthen our position.

Here's why:

1. The only possible war in the foreseeable future in which Canada need become involved is one between Russia and the United States.

Because of the accident of geography, plus the fact that Canada and the United States together constitute the last remaining citadel of capitalism on this planet, we are bound to find ourselves spang in the middle of any such conflict.

2. If there should be war between Russia and the United States, it will in effect be a struggle to the death between capitalism and communism.

It must always be remembered that war between capitalism and communism is basically a struggle between rival ideas. It is, therefore, a war which can go on for years (as it is indeed now) without reaching the stage in which great armies fight each other for supremacy.

Furthermore, the more successful the ideological conquest, the less the possibility of our putting any considerable body of armed forces into the field; since in total war the civilian and the sailor, soldier and airman together form the military potential of a nation. If the mind of the civilian part of the military potential succumbs to the impact of subversive ideas, no defence establishment can long be maintained in the field—or even be put into the field at all.

The Ideological Phase

In the opening or softening-up phase of the capitalist-communist struggle—the type of ideological warfare which is now being waged in Canada and the United States—Moscow-trained fifth columnists and their fellow-travellers are using propaganda, and a genius for creating and exploiting unrest to achieve economic, social and political chaos.

Against this sort of warfare, naval, military and air forces such as Ottawa now envisages, are virtually impotent. No one has yet discovered a successful means of killing ideas with bayonets; or even with tanks and aircraft.

3. The ideological conquest of North America is likely to succeed only if capitalism is unable, or unwilling, to provide here what the majority (or an organized and ruthless minority) of our people regards as an appropriate level of prosperity.

Moscow undoubtedly realizes that while Canada and the United States enjoy reasonable prosperity, communism has little chance of victory. But that communist infiltration, even in the face of almost unprecedented prosperity, has made real progress in Canada, cannot be questioned in the light of information developed by The Financial Post since the disclosures of our Royal Commission on Espionage.

That amongst a people fighting for survival there should have been found intelligent, trusted and well-fed men and women willing to play the role of traitor is evidence of the potency of communism as a destructive idea. It requires little imagination to appreciate how devastating would be its effect in times of depression.

4. Should the war between capitalism and communism in North America enter a military phase, we should inevitably see our country become a battleground of titans. When titans battle to the death, small nations can play no very useful role. They can, if they wish, make heroic sacrifices. But the experience of Poland, Holland, Belgium and Norway in opposing the German armies in World War II proved how futile such resistance can be.

Remember then that Canada is a country in which a small and scattered population occupies great areas. For 12 million people to try to defend such a country as ours with any military forces we could put rapidly into the field would be preposterous.

In fact, Canada could probably put only some 25,000 regular soldiers and airmen into action, since it is almost inconceivable that Moscow would wait to attack us until we could mobilize, equip and train for the new warfare our proposed reserve force of 50,000 all ranks.

5. Speaking recently as Canadian representative on the United Nations Atomic Energy Commission, Gen. A. G. L. McNaughton, former commander of the Canadian Army Overseas, said: "No power on earth is capable of menacing the North American continent for at least a decade."

If those who now say that relations between Russia and the rest of the world have so greatly improved as to preclude the possibility of war are right, then why should we maintain a naval, military and air force establishment costing us some $238 millions a year? If there is no fear of the struggle between capitalism and communism developing into a military conquest, then why should we have armed forces at all?

If any armed forces we can raise are certain to be inadequate to the tasks of defending us, why should we seek to sacrifice thousands of the flower of our young manhood in this way? Why should we ask the impossible of our youth, especially when by using the money needed for their yearly support under arms in peacetime, in other ways we might hope to make our involvement in war less likely?

It has already been said that communism has little chance of conquering us ideologically if we are reasonably prosperous.

Why not, then, use each year the $238 millions we have ear-marked for defence to help in the attainment of reasonable prosperity? We might, in fact, hope to succeed in defeating the forces intent upon our ideological conquest by constructive use of the money now ear-marked for military purposes.

By dropping altogether $100 millions of the proposed expenditure, we could bring about a reduction in our income taxes. That such taxes must be further reduced is quite evident—the present exodus of our professional, skilled labor and white-collar workers to the U. S. being one sure indication of that need. Having embarked upon a program of social legislation, which costs us upward of $250 millions annually, it is clear we cannot also afford an expenditure of $238 millions to support some 40,000 young men in an unproductive calling—especially when it is quite apparent that they cannot possibly perform successfully the defence task expected of them.

That family allowances, and other costly social security enactments, are here to stay, few will deny. Hence, it is only in such directions as the abolition of defence forces, which cannot defend, that we can hope to save the money necessary to bring our income taxes down.

Part of the remaining $138 millions now ear-marked for defence we should divert to the constructive purpose of increasing our population through assisted and other immigration. We should seek to fill up our acres so that their continued emptiness will not stand as a perpetual temptation to envious and ruthless peoples. By doing this we shall not only provide consumers for the products of our increasing labor force, but we shall also provide careers for the young men and women upon whose education we are quite rightly lavishing so much thought and money.

The money now earmarked for defense, which is not devoted to reducing income taxes and encouraging immigration, should be spent upon scientific research. By spending an adequate sum each year for the purpose of creating through research new products from our wealth of raw materials, Canada could undoubtedly hope to do much to ensure an adequate level of prosperity.

It must be remembered that we shall soon have pouring out of our universities some 20,000 or 30,000 young graduates, highly trained at our expense. What are they going to do if we fail to create here conditions under which they can put their hard-won knowledge to productive use? Without using scientific research on a scale hitherto unheard of in Canada, it is difficult to see how we can make it possible for our college-trained men and women to take permanent root in this their native soil. Most of them will want to stay, but if we must continue to have high income taxes in order to support a defence establishment of quite illusory worth, then we cannot hope to hold them. How can this, or any country, survive such a loss?

Surely it is now the turn of capitalism to show that it too can act dynamically in behalf of the way of life which has created here the second highest standard of living in human history. Surely a system so worth saving is worthy of an act of supreme courage and imagination such as the abolition of our armed forces would entail.

We dwell in what has been called the "New World." Let us as dwellers in the New World recognize that we do indeed live in a new world; a world wherein policies appropriate to the times of our fathers and grandfathers are hopelessly inadequate to the atomic age.

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Record Alberta Budget Expects $633,184 Deficit

A record budget estimating a total expenditure of $47,074,734 for the fiscal year ending Mar. 31, 1948, for Alberta, was presented to the legislature by Premier (and Provincial Treasurer) E. C. Manning. Revenue was estimated at $46,441,550 leaving an estimated deficit of $633,184 for the period.

For the income account, revenue is estimated at $44,228,625, a net increase of $15,359,925 from the 1946-1947 year. Expenditure on income account was estimated at $32,781,666 (which includes $1,477,000 for debt retirement)—a net increase of $6,360,827 from the 1946-47 fiscal year estimate of $26,420,839. This latter estimate only included $125,000 for debt retirement.

For capital account, receipts were estimated at $2,212,925 and payments at $14,293,068, leaving net capital payments estimated at $12,080,143. Estimated surplus of $11,446,959 on income account is $633,184 less than the net amount required for capital payments. This amount would be provided from accumulated surpluses.

Main items accounting for estimated increase in revenue include the payment anticipated from the Dominion account under the proposed new tax agreement. The minimum payment will exceed that ordinarily received on account of last year's subsidies by $12,190,000,

It is proposed to increase the fuel oil tax by 2c. per gallon effective on removal of the Dominion's 3c. a gallon Wartime Tax on Apr. 1. (This brings the provincial gas tax to 9c. a gallon.) This will increase revenue $1,300,000, it is estimated. Timber rentals, fees and dues are estimated to increase $500,000, coal royalties $225,000 and liquor control board profits by $2 millions.

Abolition of a social service tax will reduce revenue by $1,150,000, Mr. Manning states. This field of taxation is being vacated in favor of the municipalities.

On the expenditure side, public debt service charges show an increase of $691,000. Debt retirement shows an increase of $1,280,000 due to the redemption of next year's portion of the new serial debentures being provided out of income account while corresponding redemption for 1946-47 was made under statutory authority, Mr. Manning explains.

Largest increase in expenditures on income account is for education for which $5.2 millions is being appropriated ($3.7 millions for 1947-47).

Payments on capital account are estimated at $14,293,068, a net increase of $7,732,582. Principal increase here is in the Public Works Department. The appropriation for main highway construction of $8.8 millions is up $5.5 millions. Estimated expenditure on income and capital accounts for bridges, ferries, maintenance and grants for district roads and main highway construction totals $13 millions, up $6,690,000.

Must Cut Debt

Alberta's net funded debt was $144,593,756 at Dec. 31, 1946,—a decrease of $1,626,008 from Mar. 31, 1946. On June 1, 1947, $1,687,000 debt will be retired, Premier Manning states.

In addition, the province proposes to retire $7,997,750 of non-relief treasury bills by use of sums awarded by the Royal Commission on Natural Resources in 1935. The $7,623,250 remaining treasury bills will be amortized over 30 years at 2 5/8%. Annual cost of the province will be $547,000 as compared with interest charges alone of $788,000 at present, Mr. Manning states.

Get $12.75 per Capita

After reviewing the history of the Dominion-Provincial negotiations, Premier Manning points out that Alberta Government is recommending to the Assembly that it take the option providing for an annual irreducible minimum of $12.75 per capita plus 50% of what the province collected from personal income tax and corporation tax in the year 1940, plus the statutory subsidy provided under the British North America Act. In addition the Dominion will vacate the field of gasoline tax.

Under this proposal the irreducible minimum annual payment which Alberta would receive is $13,986,000 plus an annual reduction of $4 millions in Dominion taxes collected in Alberta due to the Dominion vacating the gasoline tax field, Premier Manning states.

Payment for 1947-48 is estimated at $14,840,000—$6,640,000 more than the province received under the present agreement. This is approximately $7,440,000 more than the province could collect by reimposing pre-war rates on personal and corporation income tax,

L. M. WIERTZ

has been appointed general manager of the F. F. Barber Machinery Co., a subsidiary of Massey-Harris Co.

CANADA NORTHERN POWER CORP. 1946 net profit was up 37.3%. Gross earnings amounted to $2,010,687 ($1,872,162 in 1945). Expenses at $632,387 were $104,801 higher, due principally to increase in purchased power.

The company's subsidiary (Northern Quebec Power Co.) kilowatt-hour output totalled 248,064,944 kw.h., an increase of 10% over last year, and the number of customers served increased from 7,310 to 8,643. Contracts were entered into for the supply of power to 11 new mining properties, and the Lamaque Mining Co.s distribution system in the Town of Bourlamaque, serving 422 customers, was purchased.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	*1945
Net earnings	$1,373,786	$1,337,987
Less: Bond int.†	......	234,104
Depreciation	204,000	204,000
Income taxes	499,480	398,201
Empl. pension	11,700	8,750
Subs. pfd. divs.	113	13,385
Net profit	658,493	479,547
Less: Pref. divds.	385,000	385,000
Common divds.	240,000	240,000
Surplus for year	33,493	‡145,453

‡Deficit.
†Including exchange.
*Reflects sale of Northern Ontario Power Co.

Earnings per Share and Dividend Record:		
Pref.: Earned	$11.97	$8.72
Paid	7.00	7.00
Common: Earned	0.68	0.24
Paid	0.60	0.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	*1945
Cash	$416,436	$472,638
Accts. rec.	156,547	147,995
Mkt. securities‡	450,319	318,012
Other invests.	361,534	383,616
Equity sub. invest.	134,437	134,437
Inventories	90,049	63,382
Total curr. assets	1,609,322	1,520,080
Misc. assets	68,883	53,055
Fixed assets	9,462,645	9,269,045
Total assets	11,140,850	10,842,180
Accts. & tax. pay.	369,910	319,331
Other curr. liab.	268,105	262,677
Total curr. liab.	638,015	582,008
Deprec. res.	4,320,991	4,116,211
Miscel. res.	15,377	10,759
Cap. stk. of subs.	2,141	2,141
Capital stock	7,648,796	7,648,796
Capital deficit§	2,458,054	2,458,054
Surplus	973,584	†940,319
‡Market value	417,560	321,275
Working capital	971,307	938,072

§Representing net loss arising from sale of physical assets of a sub. co., less reserve applied thereto, and after deducting excess of book value of sub. co's. capital stock over cost of acquisition of same by Canada Northern Power.

*Reflects sale of Northern Ontario Power Co.

†After deducting premium and expense relating to redemption of bonds of $1,615,349 and other adjustments.

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The Company is the major producer of tool steels in Canada. These and a wide range of high grade and alloy steels, also processed by Atlas Steels Limited, are required in nearly all lines of industrial manufacture. The modern plant at Welland, Ontario, supplies the greater part of all Canadian requirements, as well as a world-wide export demand through agents in fifty different countries.

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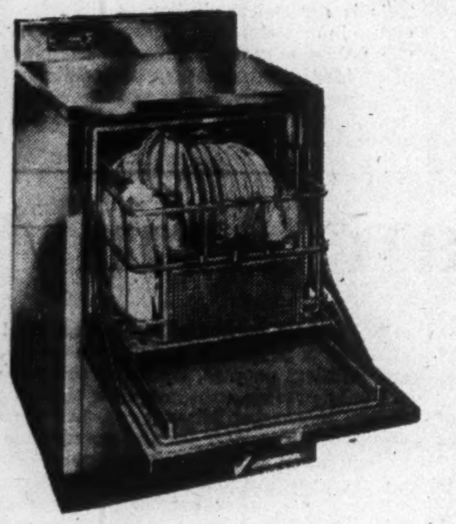
50,000 Common Shares



Triumph DISHWASHERS LIMITED

HEAD OFFICE Toronto, Ontario		FACTORY Guelph, Ontario

CAPITALIZATION
(Upon completion of present financing)

	Authorized	To Be Outstanding
Preference Shares ($5.00 Par Value)	$500,000	$410,300
Common Shares (No Par Value)	500,000 Shares	306,487 Shares

PRICE: $6.00 per unit of one (1) Preference Share (@ $5.00) and one (1) Common Share (@ $1.00)

COMPANY

Triumph Dishwashers Limited was incorporated in July, 1946, under the laws of the Province of Ontario as a manufacturing company of domestic appliances. The Company proposes to completely equip their factory, situated in Guelph, Ontario, to permit large scale assembly of the Triumph Automatic Dishwasher and as a future program, other products of the domestic appliance field. A modern plant owned by the Company with a ground floor space of approximately 30,000 square feet, will be fully equipped to carry out a proposed initial production schedule of 5,000 units per month. On the basis of the Pro-Forma Balance Sheet, after providing for all capital expenditures, the sum of $140,379.74 will be available as working capital.

THE PRODUCT

Culminating over six years of technical research and engineering development the Company has evolved a radically different, truly automatic dishwasher. The Triumph Automatic Dishwasher is a masterpiece of engineering design presenting simplicity and economy of operation, perfection of performance and importantly, priced within the range of the average household budget. Several models have been manufactured, proving that the machine answers in every respect the exacting requirements of the designer for a perfect dishwasher. World patent, manufacturing and distributing rights are wholly owned by the Company. Late last year a questionnaire was sent out to principal electrical appliance dealers throughout Canada to determine the extent of the market for this product. The results of this survey indicated a potential market of hundreds of thousands of these dishwashers with no competition in the price range.

EARNINGS — ESTIMATE

On the proposed primary production schedule of 5,000 units per month it is anticipated that there will be an operating profit of $25.00 per unit, or $125,000 monthly. Assuming the sale of this offering there is a profit equal to slightly over $18.00 on the Preferred shares. The Preference shares are entitled to fixed cumulative preferential dividends at the rate of 5½% per annum and to participate pari passu with the Common shares in further dividends which may be paid in any year after providing for the fixed preferential dividends for the preceding years and after providing for dividends on the Common shares at the rate of 5½ cents per share and up to an additional 6 cents per share in respect of unpaid dividends on the Common shares for previous years.

We offer as principals for the company, shares of Triumph Dishwashers Limited

Gordon-Daly Company
G. Edgar Mallen—Owner
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"Acids never bother ME!"

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If this filter drum could speak, it could truthfully make that statement, because every square inch of its acid-exposed surface is covered by a protective coating of rubber.

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By the Vulcalock process, rubber is bonded to metal with an adhesion that is as strong as the rubber itself. Once the job is done it gives long continuous service. It does away with costly repairs and shut downs.

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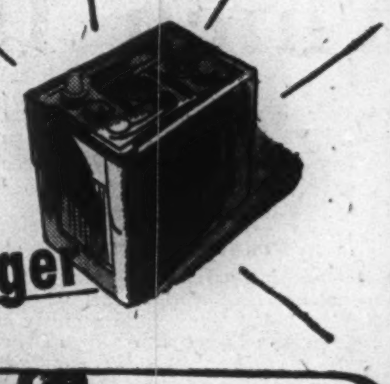
Fiberglas* aids sleep...

Now pillows, mattresses, comforters filled with Fiberglas wool! What fleecy comfort—and what a boon to victims of allergies. In dozens of new, wonderful ways, Fiberglas will be appearing in your life. Think of it—ironing board covers that won't scorch; Fiberglas-lined shopping bags in which frozen foods, even ice cream will keep for hours. In textile form Fiberglas makes colorful drapes and other decorative fabrics which even a blow torch can't set afire. They're waterproof, mothproof too.



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Where Are the Plastic Autos?

Car Makers Wait for Industry To Lower Cost, Improve Product

Automobile manufacturers are not enthusiastic about the "tear-drop" plastic automobile body, widely publicized during the war, Walter T. Noble, manager of the Plastic Division, Fabricon Products, Detroit, told the fifth International Plastics Convention at Niagara Falls recently. One reason is that high-rate production on a competitive cost basis has not yet been achieved with a plastic having the required qualities such as dimensional strength. Here is a summary of Mr. Noble's address:

Any discussion of the possibilities of low-pressure laminates in the automotive industry must, of necessity, be confined to the highly speculative realm because considerations will be of potential applications rather than of recorded accomplishments, and potentialities are not always realized.

The automotive industry is characterized by large volume output at a rather high production rate, especially for certain periods of time, and is subject to engineering and design changes to permit re-styling. In order to achieve this volume output, elaborate and expensive tooling is employed. The tooling cost is amortized against a schedule output which takes into consideration the working life of the tools involved.

Any allied supplier industry must therefore operate under similar conditions. These factors tend to eliminate certain plastics materials, on the basis of present known properties, from consideration as production materials by the automotive industry.

End Value Measured Success

During the war, new materials, and new techniques in handling old materials, were introduced in the plastics industry. The measure of their success was ultimate end use rather than the usual economic yardstick on which peacetime business is operated. The rosy-hued variety of thinking and planning was encouraged by many plastics raw material suppliers, who publicized future and, as yet, unestablished plastics applications of a highly questionable nature, thereby joining the ranks of the Sunday supplement writers and designers who had already assured the public of the production of shatterproof, transparent automobile bodies. When such mobile, inverted goldfish globes failed to appear, a gullible public quickly jumped to the conclusion that the plastics industry had failed to live up to their promises.

When wartime fabricators attempted to carry over into the postwar era, many factors militated against their efforts and products. The inexpensive tools were found unsuitable for long production runs. Tooling to produce in volume was found to be out of line costwise, because the production rate per unit mold was as high as for metal forming die to produce a similar part.

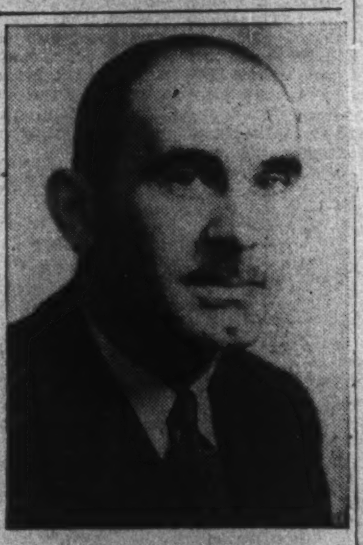
Plastics' Claim Questioned

Claims have been made that plastics parts could be produced that would eliminate the finishing operations normally employed on automotive metal parts. There appears to be some question of the validity of this claim as far as actual production to date is concerned.

The filler employed with contact resins in war applications has been, almost without exception, of the inorganic or glass type. This filler was easily wetted by contact resin, producing good bond strength and excellent dimensional stability. However, the cost of this material in woven form was found to be a serious cost disadvantage in peacetime applications. The unwoven, or mat variety, presented many difficulties in handling due to the characteristics and non-uniformity of commercially available grades of mat.

When cheaper fillers of the cellulose variety, such as cotton duck or paper, were substituted for glass, the large molecular size of the chemical glues did not penetrate the fibres properly, resulting in parts having low bond strength and low dimensional stability.

In view of the above, it is not surprising to find a lack of enthusiasm on the part of automobile manufacturers for this type of material. To date, activity in this field has been confined to the production of a few samples and prototypes of some models which may, or may not, become production realities by new automobile producers.



JOS. M. W. ST. PIERRE

has been appointed a vice-president of Champlain Oil Products Ltd.

EUREKA MINING CORP. has received payment covering 3,040 shares at $1.23 a share. Issued capital—2,870,295 shares.

YOU ASKED US ABOUT

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Ontario Hydro

Some years ago the Hepburn Government cancelled power contracts made by the Ontario Hydro with some Quebec power companies. Later new ones were made. I would like to know, in view of the present condition of power in Ontario, the terms of the contracts cancelled and of the new ones and the present amount of power being taken.

Following is an outline of the contracts between the Hydro-Electric Power Commission of Ontario and the various Quebec power companies. You will realize that it is not possible to cover all the conditions or terms of the contracts.

CONTRACTS CANCELLED IN 1935

(a) **Gatineau Power Co.**—260,000 hp. (25 cycle) under contract at Oct. 31, 1935 at a cost of $15 per hp. a year.

(b) **Gatineau Power Co.**—48,000 hp. (60 cycle) under contract at Oct. 31, 1935 which would increase to 54,000 hp. on Oct. 1, 1936 and 60,000 hp. on Oct. 1, 1937. Provision was made to increase this up to 100,000 hp. after Oct. 1, 1938 as the demand required. Power was taken at Ottawa, to be not less than 25% of the contract, was to cost $15 per hp. a year and the remainder to cost $14.70 per hp. a year delivered at Smiths Falls. A supplementary agreement revised the prices under the above contract from $15 to $14.85 and from $14.70 to $14.55 per hp. a year.

(c) **Beauharnois Light, Heat & Power Co.**—196,000 hp. (25 cycle) under contract at Oct. 31, 1935 which would increase to 250,000 hp. on Oct. 1, 1936. Cost $15 per hp. a year.

(d) **Ottawa Valley Power Co.**—96,000 hp. (25 cycle) under contract at Oct. 31, 1935 at a cost of $15 per hp. a year. Contract provided for an increase delivery dependent on the stream flow of the Ottawa river.

(e) **MacLaren Quebec Power Co.**—67,000 hp. (25 cycle) under contract at Oct. 31, 1935 which would increase to 100,000 hp. on July 1, 1936 and 125,000 hp. on Nov. 1, 1936. Cost $15 per hp. a year.

NEW CONTRACTS MADE 1937-38

(a) **Gatineau Power Co.**—A maximum supply of 260,000 hp. (25 cycle) was reached on Nov. 1, 1939 at a cost of $12.50 per hp. a year.

(b) **Gatineau Power Co.**—A maximum supply of 60,000 hp. (60 cycle) was reached on Oct. 1, 1938 at a cost of $12.50 per hp. a year.

(c) **Beauharnois Light, Heat & Power Co.**—A maximum supply of 250,000 hp. (25 cycle) was reached on August 1, 1941 at a cost of $12.50 per hp. a year.

The additional output of one generating unit of 50,000 hp. has been purchased on an "at-will' basis since Jan. 18, 1945 at an energy cost rate equivalent to $12.50 per hp. a year.

(d) **Ottawa Valley Power Co.**—Contract unchanged except cost reduced to $12.50 per hp. a year.

(e) **MacLaren Quebec Power Co.**—A maximum supply of 100,000 hp. (25 cycle) was reached on Aug. 20, 1941 at a cost of $12.50 per hp. a year.

An additional supply of 57,500 hp. (25 and 60 cycle) for war purposes under an agreement dated Aug. 15, 1941 was taken from Oct. 1941 to May 31, 1946 at a cost of $12.50 per hp. a year.

On Dec. 5, 1941 the contract for 100,000 hp. was amended to increase the contract to 125,000 hp., which was effective from Sept. 3, 1942. No change in cost rate.

Following the termination of the war power agreement for 57,500 hp., a new agreement effective from June 1, 1946 provided for a supply of 60,000 hp. (25 and 60 cycle) at a cost of $12.50 per hp. a year. Total delivery of contract power from this company since June 1, 1946, is 185,000 hp.

In addition to the foregoing contracts, "at-will" power on a week-to-week basis has been purchased from all of the above companies from time to time. Such takings have been governed by the companies' ability to supply and the Commission's needs, and have been paid for at an energy rate equivalent to $12.50 per hp. a year.

Insco Mines

I understand that Insco Mines has resumed work on its extensive acreage in Que. Can you give me some details that might cover work being performed?

Insco Mines owns 2,500 acres in Dufresnoy township, Rouyn area, Que., where six diamond drills are currently being utilized in a broad program designed to outline the favorable geological features of the property. The inital program of checker boarding the property with a series of vertical holes put down on 1,000-ft. squares, is pretty well completed. The holes are drilled in the rock for a distance of about 100 ft., and on this basis, a general geological picture with promising possibilities is being evolved.

The Insco property lies about three miles north of the producing Noranda mine, and the same distance east of the Waite-Amulet Mine. The objective of this extensive drilling program is to define geological conditions which could be productive of the type of copper-gold ore bodies which exist in the area. So far no definite ore results have been secured. The last financial report available on Insco showed cash of $144,000 and $75,000 in Dominion of Canada bonds.

INCOME TAX

Cashing Bond Coupons

I have read several articles that interest from victory bond coupons is taxed in the year the coupons are cashed. Is this still the practice? I have a large amount of government bonds and have not cut any coupons from them during the war. I now propose to cash coupons as I need the money. Will I still be taxed on the coupons in the year I cash them or will I be taxed on them for the year they became due?

It is still the practice to tax cash from bond coupons in the year in which they are cashed. Accordingly as you cash a coupon you should take it into your income for tax purposes.

Separated From Wife

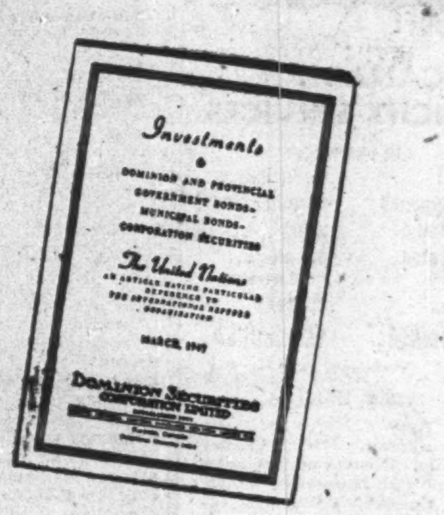
Over a year ago, my wife and I had a separation agreement completed, according to which I maintained a home for her and the children, paying all living expenses and a weekly living allowance. When this agreement was terminated last year, my wife started court action for alimony for herself and the children. The court awarded her interim alimony of $30 a week and she must pay the carrying charges of the house. I am living in a room in another building. Will I be classed as a married or single man for income tax?

You will be taxed as a single man, but will be allowed to deduct from your income alimony payments made under the court order.

Medical Benefits

Last year I had a very heavy sickness which cost me a lot of money. I belong to a recognized medical benefit association which paid most of my bill. How does this affect my deductions for excessive medical expenses for income tax? Does the fact that I received these benefits prevent my claiming deductions for medical expenses over 4% of my salary?

No, your medical benefits are considered like an insurance indemnity and not taxable. You may make deductions for the excess over the 4%, just the same as if you had not received any benefit payments.



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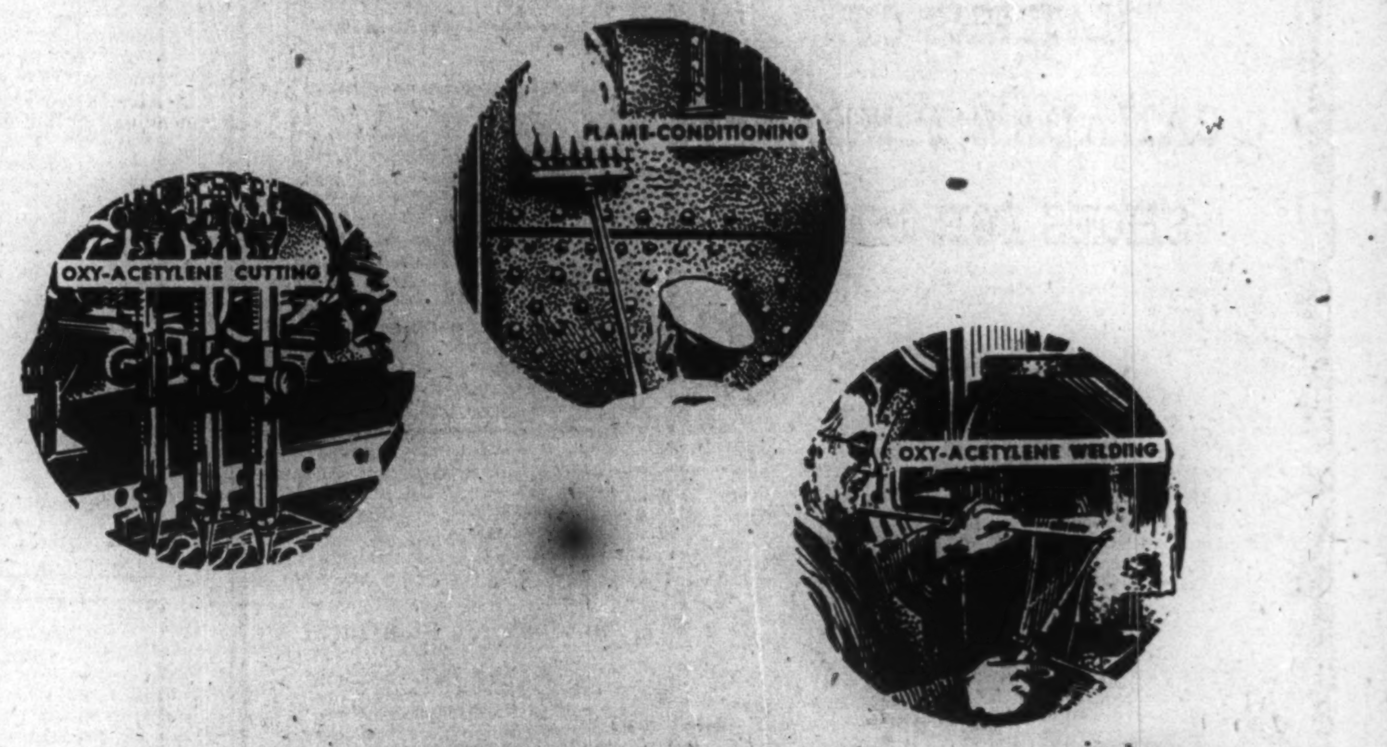

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EASY WASHING MACHINE CO. 1946 net profit was approximately double that of 1945 at $50,594. Demand for company washing machines still appears quite large, President Frank C. Dynes states. The limiting factor in production, however, is still one of availability of raw materials and component parts. While there has been some improvement in the supply position, some materials are still scarce—sheet steel in particular. The increased inventory has been necessary to maintain production at present schedules. Production cost increased in 1946 but the company is trying to meet this problem by greater production efficiency, the president says.

In 1946 an exclusive distribution arrangement was made with the Chicago Electric Mfg. Co. to merchandise in Canada the irons, toasters and other small household appliances of this company.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$119,079	$90,226
Less: Deprec.	15,485	10,230
Inc. tax‡	53,000	54,500
Net profit	50,594	25,496
Less: Com. divds.	19,904	19,904
Surplus for year	30,690	5,592
‡Incl. ref. EPT	......	7,500

*Note: Co's. report incls. ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.65	$0.83
Incl. ref. EPT	1.65	1.08
Paid	0.50+0.15	0.50+0.15

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$300	$14,460
Accts. rec.	79,106	34,860
Inventories	225,210	168,732
Total curr. assets	304,616	218,052
Misc. assets‡	39,460	41,699
Fixed assets†	139,410	121,638
Total assets	483,486	381,389
Bank overdraft	8,738	......
Accts., taxes, etc., pay.	138,216	75,547
Total curr. liab.	146,954	75,547
Capital stock	42,782	42,782
Distrib. surplus	45,807	45,807
Earned surplus‡	247,943	217,253
†After depr. of	137,241	138,826
‡Incl. ref. EPT	34,000	34,000
Working capital	157,662	142,505

BROMPTON PULP & PAPER CO. 1946 net profit was more than double 1945's at $639,545 ($307,636). Sales totalled 161,578 tons (110,669 in 1945).

The company's new kraft mill at Red Rock began operations in Jan., 1946, and the year's output totalled 51,705 tons. A further $305,976 was expended on the project, bringing total cost of the unit, exclusive of expenditures on the woodlands developments, to $6,741,986. Further expenditures are in contemplation.

Capital outlay in connection with development of the company's timber limits at Nipigon stands at $625,722. The company's wholly owned subsidiary, Brompton Lands Ltd., owns the Red Rock Inn, a moving picture theatre, 102 houses and three staff houses. A further 53 houses were in various stages of completion and the expenditure to Dec. 31, 1946, on the entire program, amounted to $958,042.

No provision has been made in the accounts for a loss of $21,380 incurred by Brompton Lands Ltd., the auditors report.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	*$2,085,368	$865,694
Less: Deprec.	705,547	255,037
Depletion	12,068	27,208
Interest	228,300	......
Income taxes res.	499,908	275,813
Net profit	†639,545	307,636
Less: Dividends	300,000	300,000
Surplus for year	339,545	7,636

*Incl. $286,233 prem. U. S. funds and $259,797 trans. from res. for invent. and contingencies arising out of settlement claims from 1945 fire.

†Incl. $13,072 profit on sale of invest.

Earnings per Share and Dividend Record:		
Common: Earned	$2.13	$1.025
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$70,823	$103,093
Accts. rec.	1,686,550	1,255,946
Investments*	38,046	48,076
Inventories	4,005,955	3,446,559
Total curr. assets	5,801,374	4,853,674
Misc. assets	791,000	299,338
Fixed assets	15,754,710	15,346,453
Total assets	22,347,084	20,499,465
Bank loans	1,924,015	1,100,000
Accts., tax., etc., pay.	1,456,679	1,760,192
Total curr. liab.	3,380,694	2,860,192
Inv. & cont. res.	69,475	412,559
Funded debt	4,475,976	3,975,976
Depr. & depl. res.	5,790,896	4,970,543
Capital stock	7,500,000	7,500,000
Capital surplus	136,388	136,134
Earned surplus	993,655	644,061
*Market value	50,000	60,000
Working capital	2,420,680	1,993,482

FALCONBRIDGE NICKEL MINES lower level development in 1946 increased reserves in that area by some 830,000 tons of ore of a grade substantially above mine average, Mine Manager H. J. Fraser, states. Improving markets and increasing production from the refinery enabled the company in second half of 1946 to offset expenses entailed in getting the refinery into co-ordinated production again, and earnings in that period were equivalent to annual rate of 19.8c. a share.

Throughout most of 1946, operations were carried on at approximately half the peak rate established in 1944. Production was increased to about 75% of the 1944 rate at the year-end.

Working capital increased approximately $400,000 to $8,288,550.

Geological reconnaissance in Lynn Lake area, led to optioning of property. Anomalies are to be tested this year.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Metal sales	$5,106,364	$6,749,548
Less: Oper. exps.	4,108,054	5,453,622
Oper. profit	998,310	1,295,926
Add: Other inc.	64,338	92,391
Gross profit	1,062,648	1,388,317
Less: Taxes	189,164	270,000
Def. devel. w/o	75,563	129,222
Depreciation	156,871	176,510
Amortization	49,210	174,895
Exch. loss	75,453	......
Net profit	516,387	637,690
Less: Dividends	324,751	501,386
Surplus for year	181,636	136,304

*Includes misc. income.

Earnings per Share and Dividend Record:		
Earned	$0.15	$0.19
Paid	0.10	0.15

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$2,571,537	$2,246,834
Accts. rec.	805,583	1,308,011
Dom. bds., cost‡	3,000,000	3,000,000
Refin. met. cost	713,547	696,748
Matte, cost	1,795,759	1,476,950
Total curr. assets	8,886,424	8,728,543
Norway bk. val.	446,059	892,036
Prepaid exps.	98,558	52,688
Assoc. co. shs.	448,091	447,341
Supplies, etc.	729,454	780,572
Mine props.	3,226,710	3,225,569
Plant & equip.*	750,244	826,460
Norweg. plant*	70,087	1
Norway pwr. dep.	......	66,450
Total assets	14,655,627	15,019,660
Accts. & tax. pay.	593,913	831,890
Unclaimed divds.	3,961	3,633
Total curr. liab.	597,874	835,523
Capital stock	7,080,065	7,064,391
Surplus	6,977,688	‡7,119,746
‡Market value	3,021,000	3,000,000
*Depreciation	9,286,327	9,133,904

‡Reflects net adjustment of $1,633,998 re Norwegian operations.

Working capital	8,288,550	7,893,020

OPERATING STATISTICS

	1946	1945
Tons. milled	486,516	716,868
Average recov.	$10.50	$9.42
Ore reserves, tons	14,205,500	13,682,000
Content: Nickel	1.73%	1.72%
Copper	0.92%	0.93%

DOMINION TAR & CHEMICAL CO. 1946 net profit was up 72.5%. The outstanding 5½% cumulative preference shares have been retired, and replaced by 150,000 new preference shares of a par value of $23.50 carrying a dividend of $1 annually, and sale of 68,116 common shares from the treasury.

Expenditures on capital account during the year were $996,168, a large part of this incurred in construction of the new Fibre Conduit plant at Cornwall, Ont. This plant is practically complete and operating at a capacity beyond that originally planned.

Heavy capital expenditures are contemplated for 1947 and 1948. These consist of expansion of existing Phthalic Anhydride plant at Toronto, expansion of Napthalene production at Toronto, erection of a new salt refinery at Unity, Sask., rebuilding of the steam plant at Toronto, installation at Toronto of equipment for the manufacture of Di-nitro Orthocresol. Total expenditures will exceed $2 millions. In addition, further expansion is contemplated into other branches of the chemical industry.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$3,425,706	$2,765,149
Less: Deprec.	508,013	470,011
Debenture int.	101,356	110,106
Income tax‡	1,597,000	1,478,200
Net profit	1,219,337	706,832
Less: Pref. divds.	159,326	276,925
Com. divds.	442,000	93,471
Surplus for year	618,011	336,436
‡Incl. refund. EPT	......	176,695
Times Debenture Interest Earned:		
Before deprec.	33.80	25.11
After deprec.	28.79	20.84
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$8.13	†$14.04
Incl. ref. EPT	8.13	†17.55
Paid (new)	0.75	....
Paid (old)	*0.93	5.50
Com.: Excl. ref. EPT	2.40	1.15
Incl. ref. EPT	2.40	1.62
Paid	1.00	0.25

†Old 5½% pref. stock, redeemed April 1, 1946. *Pd. on redempt.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$2,278,084	$3,188,675
Accts., etc., rec.	1,772,252	1,660,341
Inventories	1,079,283	1,019,811
Total curr. assets	5,129,619	5,868,827
Prep. ins.§	79,398	145,781
Misc. assets‡	459,457	461,655
Fixed assets*	6,713,529	6,225,374
Total assets	12,382,003	12,701,637
Accts. & tax. pay.	2,332,421	2,357,420
Other curr. liab.	188,082	206,428
Total curr. liab.	2,520,503	2,563,848
Funded debt	2,750,000	3,000,000
Capital stock	5,768,863	5,746,253
Surplus‡	†1,342,637	‡1,391,536
*After depr. of	4,664,207	4,158,576
‡Incl. refund. EPT	430,938	436,926

‡Reflects reduction of $53,870 in ref. EPT, applicable to prior years, resulting from renegotiation of war contracts.

†Reflects prem. of $660,923 on redempt. of 5½% pref.

§Incl. in curr. assets in co's. report.

Working capital	2,609,116	3,304,979

Protest Sale of Appliances At Cost to Man. Farmers

From Our Own Correspondent

WINNIPEG—The Radio and Appliance Dealers' Association of Manitoba is asking appointment of a special committee of the legislature to enquire into sale by the Manitoba Power Commission of electrical appliances at cost.

The policy of the Commission is producing some political repercussions, as even among government supporters there are doubts about the wisdom of it. The dealers contend it may have unfortunate results for the rural electrification plans apart from forcing out of business, many long-established dealers.

The Rural Electrification Commission in 1942 reported that farm electrification in Manitoba was feasible. One of its findings was that it would be necessary for farmers to purchase and install as many appliances as possible; otherwise a sufficient load would not be built up to pay overhead cost of maintaining the line.

It further recommended that this objective could best be attained by the Government's taking over the merchandising of appliances and selling them at cost, plus a margin of 10% for handling, installing, insurance, breakage, and other expense.

As a result, the Commission was empowered last year to purchase home appliances and sell them at any price it saw fit. Generally, the prices have been 30% below the regular list price charged by other dealers.

The latter contend the policy is discriminatory in that it means one price to the farmer and another to other customers.

Quebec Gold Output Higher in January

Quebec gold production in January totalled 43,047 oz., up from 24,653 oz. in December and off from 57,962 oz. in January, 1946. Silver output dropped to 64,953 oz., off from 179,619 oz. in January and 69,780 oz. in December, 1946.

Release Geological Study of Midlothian

A preliminary geological report on Midlothian twp., has been prepared by H. I. Marshall, Ontario Dept. Mines. The report and an accompanying map on a scale of one-half mile to the inch, are available at Queen's Park, Toronto.

Midlothian twp., located 40 miles southwest of South Porcupine, was blanketed in a gold rush following the discovery of gold by Felix Roche early in 1944. According to the report most of the gold occurrences are in quartz veins or carbonate zones containing quartz veins or stringers.

Canadian Celanese Limited

ANNUAL REPORT — 1946

DIRECTORS' REPORT

To the Shareholders of Canadian Celanese Limited:

We take pleasure in presenting herewith the Annual Report of your Company for the year 1946.

The accompanying Balance Sheet and the related Statements of Income and Expenditure and Earned Surplus have been prepared on a comparative basis showing the position at December 31, 1946 and December 31, 1945, and the result of its operations for the years 1946 and 1945. Also included are Statements of Special Surplus and Special Reserve as at December 31, 1946.

Net Profit for the year 1946 transferred to Earned Surplus amounted to $1,972,310.45 compared with $1,267,531.89 for the year 1945.

Dominion, Provincial and Municipal taxes, paid or provided for and charged against income for 1946 amounted to $1,957,647.04.

During the latter part of 1946 your Company purchased a plant site of approximately 114 acres at Sorel, P.Q., on which it is now constructing a plant which will substantially increase your Company's production. Expansion and improvement of the facilities at the Drummondville plant continued during 1946. Total Capital Expenditures for plant and equipment during 1946 amounted to $2,594,663.94 compared with $1,225,532.46 during 1945.

On December 30, 1946 all of the outstanding Income Funding Rights of the Company were redeemed resulting in a charge to earned surplus of $1,365,769.12.

Dividends paid during 1946 amounted to $1,476,022.50 of which $776,022.50 was paid to Common Shareholders.

For the Board of Directors,
CAMILLE DREYFUS,
President.

February 27, 1947

COMPARATIVE BALANCE SHEET
as at December 31, 1946 and December 31, 1945

ASSETS	1946	1945
CURRENT:		
Cash on Hand and in Banks	$ 894,516.84	$ 3,869,892.71
Government Bonds and Other Securities, at cost (approximate market value 1946, $4,994,000.00; 1945, $6,121,000.00)	4,139,378.15	4,961,378.15
Trade Debtors, less Reserve	1,081,811.62	959,970.80
Other Accounts Receivable and Accrued Interest	33,864.28	28,961.10
Inventories of Raw Materials, Supplies, Work in Process and Finished Goods, as determined and certified by the Management and valued at cost or market, whichever was lower	2,243,799.03	1,896,275.42
	8,393,369.92	11,715,478.18
DEFERRED AND PREPAID CHARGES:		
Unexpired Insurance and Taxes	176,131.12	169,620.73
Expenses applicable to future operations	2,948.80	1,464.31
Cost of Income Funding Rights purchased in anticipation of Sinking Fund requirements	—	65,130.12
Debenture discount and expenses, less amount amortized	119,489.85	128,923.25
	298,569.77	365,138.41
Securities held for Investment, valued at cost	107,185.63	107,185.63
Refundable portion of Excess Profits Tax	1,398,385.00	1,411,000.00
FIXED:		
Real Estate, Plant, Machinery and Equipment, at cost	18,385,966.90	15,869,541.16
Patents and Trade Marks	1,044,517.85	1,035,557.61
Special Fund re Income Funding Rights, as per contra	—	367,200.00
	$29,628,015.07	$30,871,100.99

Assets held for Special Fund:

	1946	1945
Government Bonds at cost (market value $180,000.00)	—	$178,000.00
Income Funding Rights valued at $25.00 per Right—7,568 Rights	—	189,200.00
	—	$367,200.00

Note: Commitments made by the Company as at December 31, 1946 for the construction of Buildings and the purchase of Machinery and Equipment totalling approximately $3,000,000.00 are not reflected in the above Balance Sheet.

Approved on behalf of the Board:
P. A. THOMSON, Director.
A. SCHWARTZ, Director.

LIABILITIES	1946	1945
CURRENT:		
Accounts Payable and Accrued Liabilities	$ 557,160.13	$ 564,182.39
Dominion and Provincial Taxes	971,006.82	1,449,866.21
Interest on Income Funding Rights	—	59,202.00
Accrued Interest on Debentures	58,732.88	58,732.88
	1,586,899.83	2,131,983.48
3½% DEBENTURES due September 1, 1959 Authorized and Issued	5,000,000.00	5,000,000.00
RESERVES:		
For Depreciation of Buildings, Machinery and Equipment	6,564,424.07	6,032,392.23
For Amortization of Patents	745,901.97	683,295.95
Special Reserve	400,000.00	450,000.00
Inventory Reserve	51,000.00	43,000.00
	7,761,326.04	7,208,688.18
CAPITAL STOCK:		
Authorized— 600,000 Preferred Shares, par value $25.00 per share; 750,000 Common Shares, without par value		
Issued and Outstanding— 400,000 Preferred Shares, $1.75 Series (cumulative, redeemable)	10,000,000.00	10,000,000.00
310,409 Common Shares	1,219,045.00	1,219,045.00
Income Funding Rights having the attributes set forth in Special By-Law "A": Number of Rights outstanding at December 31 — 1946: —; 1945: 59,202 (On December 30, 1946 all outstanding Income Funding Rights were redeemed)		
Balance of Sinking Fund re Income Funding Rights set aside in accordance with the provisions of Clause 3 of Special By-Law "A"	—	9.00
Special Fund re Income Funding Rights, as per contra, set aside in accordance with the provisions of Clause 5 of Special By-Law "A"	—	367,200.00
SURPLUS ACCOUNTS:		
Distributable Surplus, set aside in 1936 in accordance with the provisions of subsection 7 of Section 12 of The Companies Act, 1934	62,500.00	62,500.00
Special Surplus, being the refundable portion of the Excess Profits Tax	1,398,385.00	1,411,000.00
Earned Surplus, per Statement attached	2,599,859.20	3,470,675.33
	$29,628,015.07	$30,871,100.99

Submitted with our Report dated February 21, 1947.
P. S. ROSS & SONS,
Chartered Accountants.

Montreal, Que.

COMPARATIVE STATEMENT OF INCOME AND EXPENDITURE FOR THE TWO YEARS ENDED DECEMBER 31, 1946

	Year ended December 31 1946	1945
Net Operating Profit before taking up the items below	$4,579,722.65	$4,816,587.73
Income from Investments	178,996.35	208,587.60
Profit on Income Funding Rights purchased for Special Fund and for Sinking Fund	—	8,368.75
Profit on Investment Securities sold	46,250.00	34,328.37
	4,804,969.00	5,069,832.44
Remuneration of Executive Officers and Directors required to be shown separately under Section 113 (2) of The Companies Act	129,546.55	124,774.85
Fees of Directors not included above	12,591.54	10,335.60
Legal Fees	30,160.00	19,065.00
Depreciation of Plant, Machinery and Equipment	610,250.04	527,371.23
Special Depreciation of Machinery and Equipment	—	66,897.33
Amortization of Patents	12,606.02	13,023.14
Interest on Debentures	175,000.00	175,000.00
Amortization of Debenture discount and expenses	9,433.40	9,433.40
Inventory Reserve	8,000.00	*13,000.00*
Provision for Dominion Income Tax and Excess Profits Tax (less refundable portion of Excess Profits Tax, $371,000.00 in 1945)	1,800,000.00	2,366,000.00
	2,777,587.55	3,298,900.55
Net Profit before provision for Interest and Sinking Fund re Income Funding Rights	2,027,381.45	1,760,931.89
Deduct:		
Interest on Income Funding Rights	55,071.00	59,202.00
Sinking Fund for Income Funding Rights	—	63,198.00
	55,071.00	122,400.00
Net Profit for year	1,972,310.45	1,638,531.89
Deduct:		
Amount equivalent to refundable portion of Excess Profits Tax transferred to Special Surplus Account	—	371,000.00
Balance of Net Profit for year transferred to Comparative Statement of Earned Surplus	$1,972,310.45	$1,267,531.89

COMPARATIVE STATEMENT OF EARNED SURPLUS FOR THE TWO YEARS ENDED DECEMBER 31, 1946

	Year Ended December 31 1946	1945
Earned Surplus at beginning of year	$3,470,675.33	$3,614,277.15
Deduct:		
Transfer to Capital Stock of an amount equivalent to $1.00 per share on 50,000 shares of Common Stock issued under the terms of the Compromise or Arrangement of July 10, 1945	—	50,000.00
Expenses incurred in connection with changes in Capital Stock	—	33,315.71
Net cost of redemption of Income Funding Rights on December 30, 1946	1,365,769.12	—
Net amount refunded to the Government following renegotiation of the Company's war contracts	1,334.96	—
	1,367,104.08	83,315.71
	2,103,571.25	3,530,961.44
Add:		
Balance of Net Profit for year transferred from Comparative Statement of Income and Expenditure	1,972,310.45	1,267,531.89
	4,075,881.70	4,798,493.33
Deduct:		
Dividends Paid:		
Participating Preferred Shares: $5.25 per share for the nine months ended September 30, 1945 and Participating Dividend of 57 cents per share	—	582,000.00
Preferred Shares, $1.75 Series: 43.75 cents per share for the three months ended December 31, 1945	—	175,000.00
$1.75 for the year ended December 31, 1946	700,000.00	
Common Shares: $2.50 per share in 1946 and $2.00 per share in 1945	776,022.50	570,818.00
	1,476,022.50	1,327,818.00
Earned Surplus at end of year	$2,599,859.20	$3,470,675.33

STATEMENT OF SPECIAL SURPLUS (REFUNDABLE PORTION OF THE EXCESS PROFITS TAX) AS AT DECEMBER 31, 1946

Balance at credit January 1, 1946	$1,411,000.00
Deduct: Decrease in refundable portion of Excess Profits Tax resulting from the renegotiation of war contracts	12,615.00
Balance at credit December 31, 1946	$1,398,385.00

STATEMENT OF SPECIAL RESERVE AS AT DECEMBER 31, 1946

Balance at credit January 1, 1946	$ 450,000.00
Deduct: Amount transferred to Reserve for Amortization of Patents	50,000.00
Balance at credit December 31, 1946	$ 400,000.00

AUDITORS' REPORT TO THE SHAREHOLDERS

Canadian Celanese Limited, Montreal.

We have examined the accompanying Balance Sheet of Canadian Celanese Limited as at December 31, 1946 and the related Statements of Income and Expenditure and Earned Surplus for the year ended on that date. In connection therewith, we have examined or tested accounting records of the Company and other supporting evidence and have obtained all the information and explanations we have required, but we have not made a detailed audit of the transactions.

In our opinion, the accompanying Balance Sheet and related Statements of Income and Expenditure and Earned Surplus are properly drawn up so as to exhibit a true and correct view of the financial position of the Company as at December 31, 1946 and the result of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,
Chartered Accountants.

February 21, 1947.

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THE Windsor ON DOMINION SQUARE J. ALDERIC RAYMOND, PRESIDENT

Provincial Borrowing Drops Sharply Savings Deposits at New High Level

Borrowing from the chartered banks in Canada continues well above last year's levels. Total loans in Canada on Jan. 31 were over $1.6 billions, or $193 millions more than on Jan. 31, 1946, the regular return of the banks to the Finance Minister shows.

But while the total was higher than a year ago, it was $27 millions lower than on Dec. 31.

Main factor in the decline was a drop of $22 millions in loans to provincial governments. This was due largely to Ontario's paying off its bank loans following the January financing, it is believed. The province sold $50 millions of bonds to refund maturing issues and current obligations.

Loans To Business

Current loans to business were also down about $5 millions, this being partly a seasonal development due in some measure to liquidation of merchants' stocks of winter goods, while financing of spring stocks was not heavy enough in January to take up the slack. Bankers however are looking forward to a considerable increase in public borrowing and the trend is considered upward.

Borrowing by municipalities showed a small increase during the month pending receipt of taxes. Canadian call loans continued to decline.

Savings deposits meanwhile in January rose to a new high level at $3,532 millions, up $63 millions for the month and $570 millions for the year. Previous high level was $3,524 millions reached in September, 1946. The increase is attributed to the same factors that have been operative for some time, good volume of employment, high wage levels and a shortage of many types of consumer goods, leaving many people little choice as to where to put their money.

Demand Deposits Drop

Demand deposits however dropped $204 millions. Bankers attribute this partly to business firms transferring demand deposits to savings accounts to take advantage of the small rate of interest paid corporation savings accounts, and also to many businessmen using their demand deposits to finance larger business operations.

Dominion Government deposits increased $86 millions while Provincial Government deposits likewise were higher.

Foreign business of the banks showed increases in both loans and deposits.

Bank investments generally were higher.

Important items from the statement with comparisons follow:

Use of Bank Credit in Canada
(In Millions of Dollars)

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Loans	1,615.6	1,642.7	—27.1	1,422.6	+193.0
Investments	4,369.1	4,231.8	+137.3	4,099.7	+269.4
Total	5,984.7	5,874.5	+110.2	5,522.3	+462.4
Deposits	5,619.4	5,760.1	—140.7	4,911.4	+708.0
Credit index*	28.8%	28.5%	+0.3%	28.9%	—0.1%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets
(In Thousands of Dollars)

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Canadian coin	12,332	10,684	+1,648	12,091	+241
Bank of Canada notes	143,044	176,861	—33,817	147,188	—4,144
Bank of Canada deposits	533,320	565,470	—32,150	505,879	+27,441
Bank's cash	688,696	753,015	—64,319	665,158	+23,538
Gold sub. coin abd.	2,986	2,696	+290	2,992	—6
Foreign banks	177,869	191,723	—13,854	215,625	—37,756
Foreign currency	96,493	92,901	+3,592	96,962	—469
Call loans abroad	85,287	77,097	+8,190	101,885	—16,598
Government securities:					
Dom. short term	1,212,241	1,199,650	+12,591	1,318,202	—105,961
Prov. short term	120,498	108,749	+11,749	117,279	+3,219
Dom. long term	2,148,951	2,117,555	+31,396	2,015,957	+132,994
Prov. long term	228,516	207,700	+20,816	196,041	+32,475
	4,761,537	4,751,086	+10,451	4,730,101	+31,436

Loans and Securities Other Than Those of Canadian Governments

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Municipal secs.	134,790	115,462	+19,328	91,757	+43,033
Public secs.‡	277,526	275,525	+2,001	244,215	+33,311
Other secs.	246,602	207,188	+39,414	116,266	+130,336
Can. call loans	134,383	135,476	—1,093	209,537	—75,154
Current loans	1,448,042	1,453,801	—5,759	1,173,878	+274,161
Loans abroad	180,613	177,952	+2,661	144,625	+35,988
Prov. loans	6,286	28,631	—22,345	19,469	—13,183
Mun. loans	26,943	24,801	+2,142	19,770	+7,173
	2,455,185	2,418,836	+36,349	2,019,517	+435,168

Other Assets

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Noncurrent loans	937	939	—2	1,058	—119
Real estate	814	852	—38	1,893	—1,079
Mortgages	1,618	1,649	—31	1,886	—268
Premises	64,696	64,221	—470	63,788	+908
Letters of credit	205,098	212,904	—7,806	140,661	+64,437
Loans to comp.	10,681	10,308	+373	10,827	—146
Other assets	5,978	5,715	+263	3,594	—2,384
	289,817	269,588	—6,741	224,707	+65,110
Total	7,506,539	7,466,510	+40,029	6,974,325	+532,214
Note in circ. dej.	1,336	1,334	+2	1,694	—358
Int. bank bal.	259,806	330,784	—70,978	213,571	+46,235
Gross	7,767,681	7,798,628	—30,947	7,189,590	+578,091

LIABILITIES

To the Public

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Circulation	21,126	21,422	—296	25,222	—4,096
Dom. Govt.	451,965	365,927	+86,038	795,516	—343,551
Prov. Govt.	161,320	125,969	+35,351	103,552	—57,768

Deposits by Public

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Demand dep.	2,086,618	2,290,809	—204,191	1,948,454	+138,164
Savings dep.	3,532,832	3,469,322	+63,510	2,962,942	+569,890
Total	5,619,450	5,760,131	—140,681	4,911,396	+708,054

Foreign Deposits

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Dep. elsewhere	734,084	716,031	+18,053	729,083	+5,001
For. curr. in Canada	85,383	96,727	—11,344	53,562	+31,821
Total	819,467	812,758	+6,709	782,645	+36,822

Due to Banks Abroad

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
United Kingdom	25,500	32,747	—7,247	29,721	—4,221
Foreign	103,439	103,778	—339	79,074	+24,365
Letters of credit	205,098	212,904	—7,806	140,661	+64,437
Other liab.	2,261	3,576	—315	2,878	—617
Total public liab.	7,409,626	7,439,212	—29,586	6,870,665	+538,961
Due other banks	22,199	24,707	—2,508	17,256	+4,943

Liability to Shareholders

	Jan., 1947	Dec., 1946	Change	Jan., 1946	Change
Dividends	3,184	2,037	+1,147	2,863	+321
Reserve	176,750	176,750	......	136,750	+40,000
Capital stock	145,500	145,500	......	145,500	......
Gross	7,757,259	7,788,206	—30,947	7,173,034	+584,225

‡Other than Canadian.

Increase of 4% In Bank Debits

All Economic Areas Except Ontario Show Gain in January

Cheques cashed by Canadians in January totalled $6.2 billions, an increase of 3.8% over a year earlier. The Maritimes rose 10.8%; Quebec, 23.3%; Prairies, 2%, and British Columbia, 14.3%. The Ontario total was down 9%, mainly due to a decline in Ottawa.

Factors affecting the volume of cheques cashed (or bank debits) included a fairly general advance in commodity prices, wholesale price indexes and cost-of-living indexes also being higher; while common stock prices were lower.

The January total for Canada was greater than for any other January on record, 154% greater than in 1938 and 52% greater than in 1929. Figures for various clearing house centres, with comparisons, follow:

(Millions of $)

	Jan. 1947	Jan. 1946	Dec. 1946
Maritimes:			
Halifax	70.2	66.1	72.3
Moncton	24.2	20.5	20.7
Saint John	41.7	36.1	40.3
Total	136.1	122.7	139.6
Quebec:			
Montreal	1,883.3	1,513.2	1,516.7
Quebec	141.9	128.1	162.2
Sherbrooke	15.4	13.8	18.7
Total	2,040.6	1,655.1	1,697.6
Ontario:			
Brantford	23.2	20.5	22.9
Chatham	19.3	16.7	21.7
Fort William	15.2	13.1	19.6
Hamilton	133.0	135.3	138.7
Kingston	18.4	17.9	20.9
Kitchener	34.1	33.3	33.2
London	81.0	75.3	74.6
Ottawa	243.8	454.0	496.9
Peterborough	17.0	13.8	19.2
St. Catharines	22.6	18.4	22.9
Sarnia	22.2	19.8	25.4
Sudbury	13.4	10.9	14.7
Toronto	1,875.2	1,960.2	1,649.1
Windsor	78.0	64.9	82.4
Total	2,596.5	2,854.2	2,642.3
Prairie Provinces:			
Brandon	7.3	8.1	8.8
Calgary	140.2	130.4	145.1
Edmonton	96.7	94.3	107.8
Lethbridge	12.4	10.4	13.2
Medicine Hat	6.3	5.3	6.3
Moose Jaw	15.3	15.0	15.7
Prince Albert	9.0	7.5	10.4
Regina	67.4	76.8	82.2
Saskatoon	28.0	25.3	31.6
Winnipeg	534.6	525.8	551.9
Total	917.1	898.9	972.9
British Columbia:			
New W'minster	18.6	18.5	20.6
Vancouver	435.7	383.5	397.4
Victoria	71.3	57.7	64.8
Total	525.6	459.7	482.8
Total for Canada	6,215.8	5,990.7	5,935.2

NORBENITE MALARTIC MINES has received payment covering 50,000 shares at 45 cents, comprising part of block of 200,000 shares under option to Draper, Dobie & Co. Issued capital—3,183,338 shares.

VINCENT BARRECA

has been appointed managing director of The Canadian Admiral Corp.

BANK OF CANADA

	Mar. 5 1947 $	Feb. 26 1947 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	1,145,062,051	1,134,978,790
Rest fund	10,050,367	10,060,367
Deposits: Dom.	169,994,419	250,224,266
Chart. banks	534,476,640	571,402,921
Other	74,290,555	50,314,823
Total deposits	778,761,614	871,942,011
Liabs. pay. in sterling, U.S.A. and for'n gold currencies	958,496	958,496
All other liabs.	10,544,376	6,370,194
Total liabs.	1,950,376,804	2,029,299,857
Assets		
Sterling & for'n. exchange	958,496	958,496
Subsid. coin	384,425	392,970
Investments:		
Dom. govt. sh.	1,132,880,940	1,256,193,350
Oth. Dom. govt.	745,149,688	735,928,532
Other secs.	15,000,000	15,000,000
Total invest.	1,893,030,628	2,007,121,882
Premises	2,441,391	2,441,636
All other assets	53,561,664	18,364,873
Total assets	1,950,376,804	2,029,299,857

Block Argus Corp. Preferred Offered

An additional issue of $1 million 4½% cumulative convertible preferred shares of Argus Corp. is being offered at the market by W. C. Pitfield & Co. The current market is about $97 a share bid.

Proceeds from the issue of the 10,000 shares, namely $1 million, were used by the company to retire indebtedness incurred in connection with acquisition of shares of other companies, it is stated. These shares were shown as outstanding on Nov. 30, 1946 balance sheet as W. C. Pitfield & Co. purchased them under an agreement dated May 20, 1946.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

E. S. TIERNEY, manager, Ladner, B.C., to be manager, Fairview, B.C.

E. E. McDOUGALL, manager, Wells, B.C., to be manager, Abbotsford, B.C.

A. N. DANDO, relief officer, Robson St., Vancouver, to be manager, Prince George, B.C.

A. B. ARMSTRONG, accountant, Prince Rupert, B.C., to be manager, Wells, B.C.

C. A. COUSINS, accountant's department, Vancouver, B.C., to be manager, Vancouver Heights, B.C.

A. McINNIS, accountant, Almon & Agricola, Halifax, to be manager, Cheticamp, N.S.

C. H. THOMAS, clerical staff, West End, London, England, to be accountant, Paris, France.

R. LECLERC, assistant accountant, Amherst & St. Catherine, Montreal, to be accountant, Three Rivers, Que.

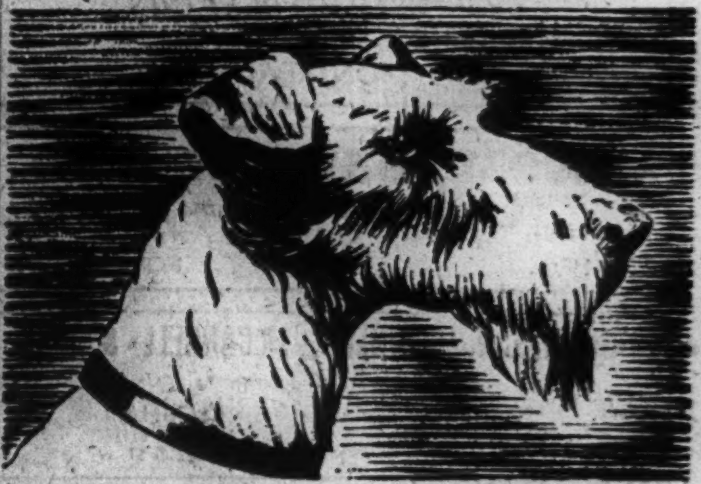
J. A. J. M. LAMBERT, accountant, Three Rivers, Que., to be accountant, Quebec City.

T. SMART, to be accountant, Jones & Gerrard, Toronto.

H. C. HOPGOOD, manager, Fairview, Vancouver, and L. CALDECOTT, manager, Abbotsford, B.C., retire.

BUFFALO RED LAKE MINES has received payment covering March 1 installment of 50,000 shares at 40 cents. Issued capital, 3.2 million shares.

Good Companions



OLD CHUM
Canada's Original Aromatic Pipe Tobacco
CUT COARSE FOR PIPE · CUT FINE FOR ROLLING YOUR OWN

B. C. Power Commission Starts Building Dam

From Our Own Correspondent

VICTORIA—British Columbia Power Commission, Chairman S. R. Weston, has started $1.14 million construction of Ladore Falls dam and related works as part of its big Campbell River power development. Contractor is General Construction Co., Vancouver; engineers, H. G. Acres & Co.

TOP-FLIGHT EXECUTIVES prefer our Custom Tailored Suits
Levi Bros. 69 KING ST. WEST, TORONTO

It's delightful right now at these year-round hotels

CHALFONTE-HADDON HALL
ATLANTIC CITY, N. J.

There's new lift in the salt-sea air, a new sparkle that hints of Spring. Come on down. Stroll or roll the Boardwalk, play golf, go dancing, loll relaxed on a big sundeck. Be as lazy or active as you please, during your stay at these famous beach-front hotels. But—please make reservations now.

LEEDS and LIPPINCOTT COMPANY
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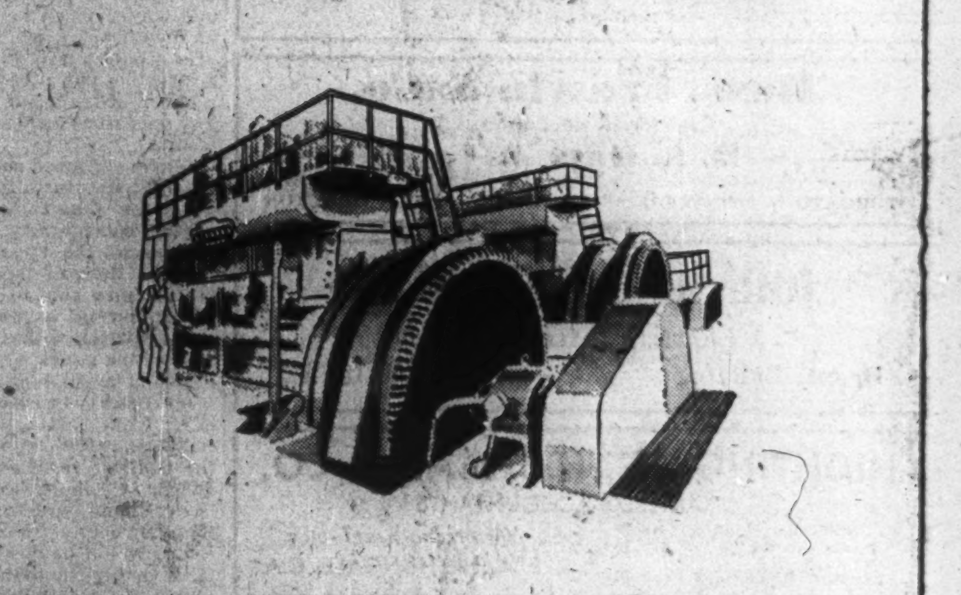
LOANS... for better tools



THE story of human achievement is revealed in the tools men use. With the fashioning of the first simple tool, man's progress began. With the creation of those elaborate modern tools we call machines, mankind leaped forward to new conquests over time, space and the material world.

The Bank of Toronto, for more than 90 years, has materially assisted enterprising Canadians. The mass production for better living made possible by machines, has created a new sense of urgency... as industry concentrates on the continuous betterment of the equipment it uses. And the financial problems involved in keeping pace with modern improvements are considerable.

These are the problems this Bank specializes in helping you solve. The tools, machines and equipment required often call for credit, to ease the way to the fulfilment of far-visioned planning. Your own plans may be large or small but if it's credit you need, call in and talk them over.

THE BANK OF TORONTO
Incorporated 1855
B. S. VANSTONE, General Manager
2D-47

Maple Leaf Gardens Approves Stock Split

Shareholders of Maple Leaf Gardens, Ltd. approved a four-for-one split in the common stock at the annual meeting this week. At present there are 50,000 authorized, 36,779 issued, no par value common shares.

Purpose of the split was to retain the customer-membership of the stock, according to President E. W. Bickle. Present price of $85 a share was considered too high for the average customer by the directors, he said. Date of the fiscal year end was changed to Aug. 31 from Oct. 31.

BACK AGAIN

Presbyterian Mixture

OVER THE SEA FROM SCOTLAND

The thousands who have missed this friendly smoke from Scotland can now pack a pipe with real pre-war pleasure, the same old pipe pleasure as pre V-bombs, Atom bombs and restrictions. The cool slow burning sweetness combined with its famous aroma is here, packed in Scotland in air tight sealed tins to reach you fragrant and fresh as newly blended. The tobacco that made a famous Prime Minister declare "My thoughts grow in the aroma of that particular tobacco."

The choice of a famous British Prime Minister. On sale at your local store.

A. GALE & CO., GLASGOW, SCOTLAND

Position of Chartered Banks of Canada as of January 31, 1947, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advance from Bank of Canada Secured $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits in Canada in currencies other than Canadian $	Deposits Elsewhere $	Bal. due to other Banks in Canada $	Due to banks in U.K. $	Due to Banks Elsewhere $
Montreal*	5,311,677	148,872,291	48,783,293	....	541,837,270	826,1[illegible]7,195	8,774,745	155,025,970	2,797,442	6,944,892	29,896,566
Nova Scotia	2,158,904	34,465,623	2,587,828	....	155,421,413	302,732,284	2,336,888	99,071,551	4,049,760	1,281,779	6,498,741
Toronto	731,036	23,178,789	3,526,849	....	95,330,531	206,743,884	1,004,970	....	172,599	2,505,833	2,267,129
Provincial	422,243	3,803,297	145,112	....	28,169,311	102,628,042	39,206	....	4,155	....	92,875
Commerce†	4,384,104	73,867,274	43,285,316	....	412,332,977	65[illegible],134,538	19,743,702	104,270,855	7,276,199	4,003,649	12,878,397
Royal	5,506,767	98,520,313	32,827,716	....	550,694,515	798,836,904	39,775,124	366,191,464	4,920	5,281,960	44,345,130
Dominion	766,204	28,049,165	2,206,308	....	96,287,262	170,482,403	5,753,206	9,524,070	2,440,522	1,115,802	1,729,640
Nationale	777,062	12,551,768	2,572,957	....	84,951,116	251,886,906	703,456	....	2,969,264	54,024	886,229
Imperial	963,807	22,716,944	25,383,478	....	114,484,920	210,103,444	1,119,789	....	2,297,059	1,546,147	3,571,480
Barclays	104,570	4,939,057	1,172	....	7,108,661	7,116,378	6,131,677	....	187,356	2,766,296	1,272,686
Total	21,126,359	451,964,521	161,320,029	....	2,086,617,976	3,532,831,978	85,382,763	734,083,847	22,199,276	25,500,382	103,438,873

NAME OF BANK	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorized $	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are partners $	Greatest Amount of Notes in Circ. $	Bills rediscounted with Bank of Canada $
Montreal*	16,631,271	366,893	753,665	42,000,000	36,000,000	1,870,163,211	50,000,000	36,000,000	8 (x)	1,263,141	5,382,117	....
Nova Scotia	32,564,559	796,947	368,152	24,000,000	12,000,000	680,334,436	15,000,000	12,000,000	12	1,083,550	2,158,904	....
Toronto	2,797,080	1,524	181,818	14,000,000	6,000,000	358,442,046	10,000,000	6,000,000	12	243,964	739,566	....
Provincial	453,452	22,221	6,036	2,000,000	4,000,000	141,785,953	5,000,000	4,000,000	6	53,500	433,203	....
Commerce†	43,284,231	84,931	621,360	30,000,000	30,000,000	1,442,167,538	50,000,000	30,000,000	8	624,856	4,460,708	....
Royal	89,161,038	473,544	766,159	40,000,000	35,000,000	2,107,385,541	50,000,000	35,000,000	8	1,509,485	5,610,761	....
Dominion	9,798,942	264,156	176,004	9,000,000	7,000,000	344,593,091	10,000,000	7,000,000	10	707,849	777,409	....
Nationale	1,031,537	32,869	134,345	7,000,000	7,000,000	372,551,538	10,000,000	7,000,000	7	138,109	789,547	....
Imperial	6,544,883	205,187	175,946	8,000,000	7,000,000	405,113,035	10,000,000	7,000,000	10	500,029	974,432	....
Barclays	2,830,978	13,028	....	750,000	1,500,000	34,721,883	1,500,000	1,500,000	....	....	108,525	....
Total	205,098,080	2,261,250	3,183,485	176,750,000	145,500,000	7,757,358,871	211,500,000	145,500,000	....	6,214,483	21,435,172	....

(Capital Authorized through Bills rediscounted: SUPPLEMENTARY INFORMATION.)

†And loans for which they are guarantors.

xExcluding extra distribution of 15 cents a share.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada $	Gold and Subsidiary Coin held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes and Cheques on Other Banks $	Govt. and Bank Notes other than Canadian $	Balances due by other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $	Dom. Gov. Short Term Sec. $	Dom. Gov. Long Term Sec. $	Prov. Gov. Short Term Sec. $	Prov. Gov. Long Term Sec. $	Canadian municipal securities $
Montreal*	3,061,518	38,389	33,565,495	164,772,295	72,454,139	812,808	171	7,264,868	30,807,253	330,222,726	530,542,389	43,695,921	68,226,919	33,558,539
Nova Scotia	913,313	968,445	13,881,617	35,246,475	22,593,731	23,285,611	....	309,032	12,082,526	95,331,444	168,790,604	7,215,148	16,932,636	8,658,715
Toronto	560,474	....	7,230,034	24,588,387	16,613,340	248,476	....	1,229,735	5,107,525	58,617,541	110,349,487	2,642,594	16,109,084	6,042,206
Provincial	568,643	....	3,380,272	12,321,031	4,434,044	30,617	4,333	2,428	1,417,631	30,390,093	28,313,695	3,719,989	11,957,274	10,380,986
Commerce†	1,792,988	177,696	23,995,857	96,343,591	33,747,413	1,756,962	....	3,299,375	28,432,051	193,379,148	494,594,569	19,474,776	42,302,745	17,663,068
Royal	3,874,669	1,801,384	35,892,422	113,110,974	73,893,462	69,861,036	9,876	12,720,799	51,443,541	273,882,664	550,954,481	33,116,260	38,496,983	29,569,378
Dominion	600,818	443	4,628,947	27,869,554	10,402,882	165,139	....	684,260	5,353,225	74,780,313	80,617,022	856,555	4,462,513	3,770,942
Nationale	1,219,791	....	11,625,636	26,152,034	11,087,390	152,671	1,497,920	481,194	1,923,694	78,824,197	80,400,744	5,155,135	17,745,483	16,672,249
Imperial	732,985	....	3,799,744	30,828,489	11,706,896	177,639	754,296	5,140,951	4,594,458	74,291,939	100,230,293	3,480,692	6,212,553	7,400,174
Barclays	6,183	....	144,361	2,067,329	452,610	2,396	63,524	1,756,263	3,727,017	2,521,338	4,158,116	1,141,068	6,069,698	1,073,926
Total	12,332,382	2,986,357	143,044,305	533,330,159	257,475,907	96,493,355	2,330,120	32,888,905	144,978,921	1,212,241,403	2,148,951,400	120,498,138	228,513,888	134,790,183

NAME OF BANK	Public Securities other than Canadian $	Other bonds and stocks $	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $	‡ Real estate other than Bank premises $	Bank Premises $	Deposit for note circulation $	Other assets $	*Total assets $
Montreal*	63,163,135	62,064,780	24,344,929	38,137,488	310,447,762	14,295,767	2,067,933	3,737,044	315,875	476,914	10,845,525	323,631	3,454,188	1,871,419,497
Nova Scotia	29,795,758	16,394,301	17,946,529	1,528,937	144,503,493	23,168,625	4,102	1,473,696	58,832	15,878	5,908,026	122,699	2,337,784	682,032,525
Toronto	....	11,064,164	8,590,967	....	81,942,790	....	....	1,193,697	22,373	8,781	3,548,436	43,262	257,801	358,738,252
Provincial	....	2,345,319	5,638,436	....	22,152,867	....	25,708	2,436,009	28,409	242,109	1,696,443	28,968	122,916	142,092,582
Commerce†	61,844,911	25,789,795	25,296,419	17,445,706	263,333,178	24,434,320	3,216,545	2,686,357	162,516	568,159	15,508,475	300,000	3,695,256	1,444,527,120
Royal	112,943,617	107,480,092	38,223,874	22,397,888	308,962,248	118,583,320	219,316	5,620,073	283,597	564,604	10,343,065	350,000	5,882,294	2,103,852,975
Dominion	4,881,858	5,481,297	3,152,656	5,776,627	96,354,172	130,773	....	798,017	15,194	83,812	4,793,951	50,847	406,654	345,954,426
Nationale	626,409	8,045,309	3,678,623	....	94,719,101	....	548,910	5,527,589	16,069	521,930	5,081,668	49,430	402,992	372,387,697
Imperial	....	7,936,401	7,029,433	....	122,790,661	....	203,866	1,473,038	23,439	....	5,751,129	58,650	80,431	406,284,042
Barclays	4,270,250	....	640,750	....	2,826,547	....	....	....	8,432	....	1,014,440	8,043	18,447	34,821,045
Total	277,525,938	246,601,458	134,383,616	85,286,661	1,448,041,816	180,612,805	6,286,080	26,943,390	936,736	2,432,187	64,691,158	1,335,330	16,658,763	7,767,680,781

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

aIncludes mortgages.

aIncludes $205,098,080 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

Defense Against the Atom Bomb

Military Research Experts Find 27% of Canadians Face Hazard

The following are extracts from an address on "Defense Science and Canadian Civil Security," delivered recently in Ottawa by Col. W. W. Goforth, Deputy Director-General of Defense Research.

Although Col. Goforth said his remarks were "personal and not official" he touches on matters of widest personal and community importance in the planning and preparation required of Canadians in the "atomic age."

We have had a year and a half to absorb the shock of Hiroshima and Nagasaki. The veil of secrecy surrounding nuclear fission and the atomic bomb has now largely been drawn aside. Only the intricate details of engineering and scientific "know-how" remain secret. Hundreds of documents have been published, mainly in the United States, which tell in clear and detailed terms just what did happen in the two fated Japanese cities, and just what would happen if the same bomb were dropped—say, over the Peace Tower—in Ottawa.

What then are the dangers which threaten, or may threaten, the cities, homes and people of Canada? (I limit my remarks solely to material from published official statements of Canadian, British or United States origin):

Prospective Targets

(a) Every city of 50,000 persons or over, especially if it harbors key industries, and essential public services, is a suitable target for an atomic bomb.

(b) As long as the atomic bomb is as costly to produce as it is today, it is unlikely that cities under 100,000 would be regarded as priority targets, unless they repesent key centres in the national or international economy.

(c) The maximum effective point of burst of an atomic bomb is somewhere between 500 and 2,000 feet above the centre of a large city.

(d) The season of the year most damaging to Canada would be mid-winter when humidity is at its lowest point, when secondary fires would reach their greatest destructive power, and when the problem of sheltering even homeless noncasualties would be at its worst.

(e) Steel framed and reinforced concrete structures tend to withstand the blast fairly well even in the central target zone, but persons on the upper floors and exposed sides of these buildings are not now able to avoid lethal absorption of gamma radiation and neutrons, within the central zone of the attack, i.e., within the radius of about half a mile.

(f) Brick, brick-veneer, and other light structures up to a radius of 10,000 feet or more from the point of burst are in serious danger of complete collapse or of irremediable structural damage. Such structures within a mile radius would be destroyed. Similar structures up to the 12,000-foot range would probably be rendered uninhabitable for days up to weeks.

(g) If the bomb burst is properly centred in a large city, the probable resultant deaths would be around 50,000. Other casualties and those rendered homeless would add a further 75,000 to 150,000 persons requiring care and relief.

(h) Bridges, road surfaces, and field fortifications are not materially affected, except by a contact or penetrating burst.

(i) In substance, we must conclude that the real threat to Canadian civil security lies in some form of air attack, either by high explosive, incendiary or (and especially) atomic bombs, and possibly by airborne missiles filled with toxic agents. All or several of these forms of air bombardment may be combined in a single pattern depending upon the type of target attacked in each case.

(j) While it would be wrong to exclude the possibilities of newer and more devastating means than those now available, it is improbable that the atomic weapons of the next 15 years would vary materially in their effects from those already described.

Passive Defense Vital

So much for our definition of the problem. As we turn to possible ways and means of meeting it let us underline a few special criteria that must be met:

(1) We must assume that war, if it comes again at all, will be without warning. Ottawa will then be as easy to attack by air, if we do nothing in the interval, as was Warsaw on Sept. 1, 1939.

(2) We must look for something more than moral protection from diplomacy. Firmness in checking the first tendencies to aggression is at least as important as patience and loving kindness.

(3) We must leave to the appropriate agencies of government, especially in the Defense Dept., the technical task and responsibility for active defense against these new weapons, for keeping them away from our shores. Alternatively, if they do penetrate into our industrial areas, it is the task of our armed forces and defense scientists to see that as few reach their targets as possible. If 9 out of 10 atomic bombs could be intercepted well away from their targets, it is not unreasonable to believe that this new weapon might become highly unprofitable to make and use. It could not then menace our very survival as a nation, which it certainly would do if every one struck home.

(4) We should face promptly and realistically the complex problem of passive civil defense. It is this passive civil defense which is both the most difficult and yet the most urgent phase of the whole problem of Canadian civil security. It matters little in which government department the primary responsibility rests. What does matter greatly is that no jurisdictional difficulty or excessive economy should prevent it being faced and followed up without delay.

In spite of some pessimistic statements by several leading people in Anglo-American countries, it is not correct to say that any defense against atomic or other weapons is futile.

What are the passive civil defense measures which we may need to devise and carry out?

It is still too early to state these with precision. Yet it is desirable, and even necessary, that we visualize some of the outlines of requirement during the period of intensive postwar reconstruction, when building activity is rapidly increasing and when the pattern of our urban and industrial life, for the next decade or so, is already taking shape.

Teamwork Needed

The problem applies mainly to a relatively small proportion of Canadians (27%) who live in, or immediately contiguous to, our larger cities. These are the ones whose potential security of life and limb is particularly endangered by the advent of atomic weapons. There are only 3,145,000 of us who are directly affected, yet our interdependence with the whole economic, political and social life of Canada, and of other friendly nations, is so great that the sudden destruction of these 27% of our people might well paralyze the whole fabric of our national life.

Here is the heart of our future problem of Canadian civil defense. How are we to defend that heart without further and unnecessarily burdening the Canadian taxpayer? What degree of safety can we attain without going to those unpracticable extremes which arise either from panic or from wishful thinking?

It is a task on which the town planner and architect, the scientist and engineer, the sociologist and economist, the city father and enlightened citizen will need to pool their resources—to combine their thought and genius—and to work together as a team.

Only the most vital national services may have to go underground or to alternative localities, in advance of an emergency.

Special zoning and gradual decentralization of new units of essential public services and essential industry, beyond the probable radius of destructive effect, would seem to be one of the first essentials.

There is room for modifying the municipal building by-laws of our larger cities, to provide some increased protection against fire, blast and gamma radiation.

Probably the greatest saving of life could be achieved by carefully devised plans for emergency evacuation of nonessential population from the larger cities, without reducing national income and productivity. This would require new legislation to permit compulsory mass billeting when and where needed.

Shift May Be Natural

It is possible that some natural shift may occur in the next decade both of new industries and workers away from the great cities toward the smaller towns. Certainly the life expectancy of a family in say, Brockville, Perth or Arnprior could be regarded as somewhat better during the next generation than in Ottawa, Montreal or Toronto. It is highly probable that the long continued trend for many of the ablest and brightest young men and women to seek employment in the great cities will be reversed in future. A larger proportion of these may well bring to smaller towns and rural communities a virility and progressive spirit which they have sometimes lacked.

There would also appear to be a need for special mobilization plans affecting the reserve staffs of all essential services both in the larger cities and in neighboring communities. These would be required to reinforce—overnight when necessary—hospital, transport, sanitary and fire-fighting personnel, so that these services could function at greatly increased tempo—without confusion and delay.

This last item further suggests that we may require, in time of peace, a new and greatly improved type of ARP organization. We may have to accept periodic rehearsals of our new community emergency roles, just as automatically and unemotionally as school-children perform their fire-drill, or as a ship's passengers and crew do their boat drill, or as we practiced occasional black-outs during the war.

What do these measures imply in our national life and in the action and attitude of individuals? It does not mean that we have to abandon our concepts of ordered liberty and free enterprise. It does not mean that we have to adopt a planned economy and the regimentation which goes with it. It does mean that we should—and must—assign to the state its traditional and legitimate function of ensuring public safety and order, under the law. This function becomes somewhat broader and more complex under the conditions we may have to face in future. But the normal freedoms of the individual do not need to be impaired or narrowed.

Such measures could never be interpreted as warlike preparations. Indeed they are essential if we are actively to discourage war and to render unprovoked aggression unprofitable.

Two months ago (The Financial Post, Jan. 18) The Post's Ottawa editor discussed some of the lessons learned from the atom bomb and pointed out the need for dispersal of industry and changes in construction as a safeguard against the employment of atomic power in any possible future war. Here Col. W. W. Goforth, Deputy Director-General of Defense Research, presents more specific views on the same problem.

Auto Electric Shares Offered

Participation in another privately owned company is invited with the offering of 28,200 Class A 50c. cumulative noncallable shares, no par value of Auto Electric Service Co., Toronto, Ont., at $10 a share by W. C. Pitfield & Co. Each five Class A shares carries a bonus of one common share.

Incorporated in Ontario in 1918, Auto Electric Service Co. is a distributor of service repair parts and accessories for automotive transport, including passenger and commercial vehicles, and for agricultural and industrial equipment using internal combustion engines as a source of power. The greater proportion of the present business consists of the sale of service repair parts for electrical and fuel systems of such transport and equipment, it is stated.

The company has two wholly owned subsidiaries — Beattie Auto Electric Ltd., Winnipeg, Man., which serves the western market, and Canadian Aviation Products Ltd., Toronto, formed to take over operation of the department previously engaged in the repair of electrical and fuel systems used on aircraft.

Employees, including sales personnel, of the company and its subsidiaries total about 200.

Capitalization on completion of financing will consist of 50,000 authorized, 30,000 issued, no par value Class A shares and 100,000 authorized and issued no par value common shares. As the shares offered were purchased from a shareholder, George J. Beattie, proceeds do not go to the company. Mr. Beattie retains control of the company.

Consolidated net earnings averaged over $48,000 a year (including the refundable portion of EPT) for the 10 fiscal years ended Dec. 31, 1946. Annual dividend requirements on the Class A shares will total $15,000.

Directors include:

George J. Beattie, president; C. E. McTavish, vice-pres.; J. A. Stephen, gen. man. and sec.-treas.; Douglas McCall and Mary M. Beattie.

Gair Co. Canada Pref. Offered

A new issue of $1.5 million 4% cumulative preferred shares, par $100, of Gair Co. Canada has been sold at $98.75 a share to yield about 4.05% by a syndicate headed by Dominion Securities Corp.

Proceeds are for retirement of the outstanding $857,600 6% first and general mortgage bonds due April 1, 1956, called for redemption on April 1, 1947, at $100 and accrued interest. Balance of proceds is for additional working capital.

Also revealed by the prospectus was sale of 27,700 authorized but unissued common shares par $10 to the parent company, Robert Gair Co. Inc. For these common shares, having a total par value of $277,000, and $123,000 U. S. funds, the parent company surrendered the $400,000 note payable to it due March 31, 1947.

Capitalization on completion of the financing consists of 15,000 shares 4% cumulative preferred, par $100, and 120,000 common shares, par $10. Gair Co. Canada is a wholly owned subsidiary of Robert Gair Co., New York.

Order Capital Return By Adelaide-Sheppard

Guaranty Trust Co. of Canada has been directed to distribute pro rata among holders of 7% first mortgage 20-year sinking fund bonds of Adelaide-Sheppard Co., Toronto, the sum of $134,366, such distribution being at the rate of $23 in Canadian funds for each $100 original principal amount of bonds held.

Bondholders are required to present bonds on or before March 31, 1947, with all interest coupons due Sept. 15, 1937, and subsequent thereto, to Guaranty Trust Co., in Toronto, Windsor or Niagara Falls, together with a declaration of ownership.

Guaranty Trust Co. has been the plaintiff and has represented the 7% bondholders in an action against Adelaide-Sheppard Co. The Concourse Bldg., Adelaide and Sheppard St., Toronto, is the principal real estate asset involved.

Manitoba Works Dept. To Pave Road to U. S.

From Our Own Correspondent

WINNIPEG—Start is scheduled for this year by Manitoba Public Works Minister Errick Willis on construction of $4 millions hard surface highway between Winnipeg and the U. S. border.

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Expect Early Bid Call On Big Public Building

Toronto contractors expect an April call by Federal Works Dept., Ottawa, for tenders on the proposed $5-million City Delivery Building at downtown Postal Terminal "A". Plans are reported completed by Architect Charles B. Dolphin.

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Road Building Research Program Being Planned

Nation-wide Group Effort Foreseen As Ontario and Canadian "Good Roads" Associations Spur "Better, Cheaper Highways" Drive

Groundwork has been laid at Toronto for what may become an important program of group research on road building materials, methods and machinery.

Ontario Good Roads Association understands co-ordination of highway research will get top play at the national convention of the Canadian Good Roads Association, St. Andrew's-by-the-Sea, N.B., in September. Accordingly it has called for formation meanwhile of a "Committee on Highway Research."

The committee, as seen by OGRA's retiring president, W. Scott McKay, who sponsored the resolution, would include representatives of OGRA, Ontario Research Commission (1945), Canadian Good Roads Association, Ontario Road Builders Association, Ontario Highways Dept., universities teaching engineering, engineering societies, and manufacturers (of road materials and equipment) with research organizations.

Commending Ontario's recently launched official highway safety campaign, the Association, with 2,000 in attendance, also called for denial of driving permits to inefficient and irresponsible drivers.

Legislation Forecast

Legislation will be sought to establish a uniform 80% subsidy rate to speed up modernization of municipal bridges, Ontario Highways and Public Works Minister George H. Doucett told municipal representatives. Present subsidies, 75%, are restricted to work costing $500 or more in townships, $1,000 or more on county systems. Under new legislation the grants would be payable on any expenditure. There are now 979 municipal bodies eligible for road and bridge subsidy under Ontario's Highway Improvement Act.

County, township and improvement districts together plan to spend $23.4 millions this year on roads, and the province a cool $47 millions, as against about $40 millions in 1946, Mr. Doucett reported. He called this an all-time record program.

The new 83-mile Quibell-Red Lake mining road will be completely surfaced this year. The Minister also reported on completion of first half of the mining road from Matheson to the Quebec border, progress on paving of Toronto-Oshawa four-lane highway and on construction or new Toronto-Barrie four-lane highway.

Compulsory Comfort

Other highlights of "road week" in Toronto:

New Law for Camps—"I'm not suggesting that any contractor doesn't treat his men fairly. But there should be some standard so that, among other things, bidding for contracts will rest on equal terms." So said Ontario Highways and Public Works Minister George Doucett to the Ontario Roadbuilders Association convention which coincided with that of the Good Roads Association. Accordingly, he announced, legislation will be sought to provide a minimum standard of comfort for highway workers in contractors' camps; to govern type of building, lighting, heating, bedding, food.

Highway Commission?—Set up an "Ontario Highways Commission" to administer and extend the province's 73,000-mile road network. That was suggestion of OGRA's Secretary-treasurer T. J. Mahony, Hamilton, now serving his 30th year as chairman of the Hamilton-Wentworth Suburban Roads Commission. As seen by Mr. Mahony, the commission would be created "under legislative safeguards that would keep it free from future political manipulation, and free from interference with long-range planning." He referred to Hydro Electric Power, Ontario Northland Railway and Niagara Parks commissions as successes in the public service and utilities field. The convention took no action.

Trailer Trouble — Of "great concern" to road authorities is increase in number and size of truck trailers, according to Deputy Highways Minister John D. Millar. Rare in the 1930's, lowbed trailers or "floats" now are standard equipment for many firms and "current applications for 60 or 70 ton loads are running out of all reason. Only 2% of Ontario highway surfaces and bridges are capable of carrying gross loads over 30 tons."

Vehicle widths are "another pressing problem. Legal maximum width needs a full 10-ft. traffic lane for safe operation. Ontario has only 4,000 miles of pavement out of a total 73,000 miles of rural roads built to that standard."

"Ghost" Bridges—But new and heavier bridges are Ontario's most pressing highway need, said Mr. Millar. More than half of all Ontario bridges are "insufficient" for the loads they're called on to carry; are only carrying traffic "by force of habit."

Poll of Wants—What motorists want most in highway improvement, according to a survey reported by the Highways Deputy: More paved surfaces for all-weather operation; Relieve congestion near larger urban centres; Resurface pavements failing after 20 or 30 years; Extend new highways into more remote areas; Replace obsolete bridges.

Don't look now. But in 1967 a three-wheel automobile with folding wings may offer its owner-driver road or airborne travel almost at will. Or so says Mr. Millar.

May Increase Insurance Rate On B.C. Cars

From Our Own Correspondent

VANCOUVER — Automobile insurance rates in British Columbia are almost bound to increase within the next year if the present rate of accidents keeps up, insurance men report.

Since the war ended accidents have increased between 30% and 40% and the cost of repairs in some cases has doubled.

One Vancouver insurance man said: "I don't see how we can avoid a rate increase. I have about 10 fleet policies and last year not one of them showed a profit. Previously about five of them did. You can't operate that way."

During the past year, rates have been increased twice, the last going into effect at the beginning of 1947. The increase amounts to between 15% and 20%.

Underwriters say though, rates depend on loss ratio and it will take several months to figure accurately how high this is going. Insurance men think it might be holding now, and if there is no further increase the rise might only be slight.

"I hope they will be able to hold the line," said one insurance man. "It makes me shudder to think I'd have to go out to face my clients with another raise. I had enough trouble in January."

"Rates in Vancouver are the highest in British Columbia. Standard limits of $5,000-$10,000 public liability and $1,000 property damage cost $30 in Vancouver and $15 on Vancouver Island for "board" insurance. Fire and theft in Vancouver is $6 and $2.50 in Victoria. Other sections vary.

Vancouver metropolitan district with nearly half the population of province has the worst drivers and the most thefts, say insurance men.

Insurance men and automobile clubs favor the Manitoba plan of insurance and dislike any compulsory scheme. They have already petitioned the provincial government to this effect.

Cost of repairs as well as a high accident rate are reasons for increased premium rates. Repairs in some cases now cost more than double. A grille that cost $30 a few years ago is hard to get at $75.

Because of the population increase, more cars are in demand here and more jalopies kept going. There are more of the latter in accidents than newer cars. Auto registration of 135,000 in British Columbia is up about 35,000.

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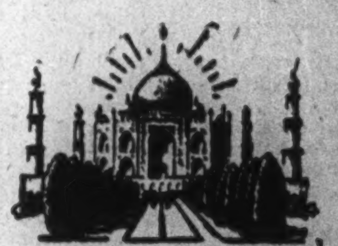

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Report on Insurance for Schools Condemns Self-insurance Theory

Supporters of self insurance for municipalities and school boards received a set-back in a report made recently by a special committee to advise the Alberta School Trustees Association on the value of establishing a self-insurance fund.

The report not only condemns self-insurance but states that premium rates currently being charged on schools in the provinces should be higher; that companies handling this type of business are taking a loss; premium rates charged by the Government's own insurance office are too low and should be increased.

Alberta schools are dangerous fire hazards and besides are grossly underinsured the report states.

Definitely Opposed

All recommendations made by the committees are definitely opposed to the establishment of a self-insurance fund. It says for example:

"Where such proposals have been brought forward, the motivating factor has been that statistics indicated an unduly high rate was being charged by regular insurers having regard to the loss experience . . . In the case of school insurance in Alberta, our investigation shows that instead of the loss ratio being low on school property the reverse is true, and we regret that we can hold out to our membership no prospect other than substantial increases unless school authorities take immediate steps to combat and reduce the adverse loss experience."

Some of the suggestions made by the committee to correct the existing situation are:

1. School authorities should take steps immediately to have their property inspected by competent persons, to reduce the fire hazard.

2. School authorities should have their property appraised by competent appraisers.

3. Caretaking of school premises to be handled more carefully.

4. Insurance coverage to be examined by competent persons so school boards will know they are adequately covered.

Premium Income Too Low

After a survey of insurance carried on Alberta schools in 1943, 1944 and 1945; the committee reported: "The insurers to break even should have had a premium income of $243,435 but instead the premiums paid amounted to $79,334. The net result is that these insurers, on the basis of these premiums and the claims paid, suffered an apparent net loss on this business of approximately $155,102."

There is undeniable proof, it states, that a premium rate of 67c. charged by the companies was away too low, less than one-third of what it should have been, a rate of $2.09 being required to enable the companies to break even.

The 63c. rate charged by the Alberta Government Insurance Office it claimed was away too low and added that the Government more recently had been charging an even dollar for a three-year term. The proposal that municipalities and school districts carry their own insurance is made quite frequently although about two years ago such proposals received scant approval at a meeting of the Canadian Federation of Mayors and Municipalities in Toronto.

The city of Edmonton was probably responsible for the strongest drive towards this object.

Deductible Clause Suggested

A suggestion was also made that fire insurance policies with a deductible clause be written on city properties, much in the same way as automobile insurance is written. The deductible plan, however, is condemned as unsound by most underwriters who claim the situation in fire insurance is different from automobile insurance in that minor damages are common to all motorists while many property owners go through life without a fire loss.

Thus the fact that small damages are practically a certainty in the case of a motorist eliminates to some extent the function of insurance which is to protect against losses that as far as the owner is concerned are unpredictable. By eliminating the small claims up to $50 or $100, the certainty of loss is removed bringing the risk within the field of insurance. In fire insurance the loss frequency is uncertain and accordingly is therefore considered a proper field for insurance without a deductible clause, underwriters say.

J. A. MANN

of Montreal, has been elected a director of Continental Can Co. of Canada.

Imperial Oil Offers Four Fellowships

Four research fellowships, each valued at $3,000, will be offered again this year by Imperial Oil Ltd., it is announced.

Established in 1946, the fellowships are open to graduates of any approved university in Canada for graduate work leading to a doctors or master's degree in petroleum engineering, petroleum geology, chemistry or chemical engineering and mechanical engineering. Each amounts to $1,000 a year and may be held for three years.

The nominations are made by the university and must be submitted to Imperial Oil Scholarship Committee not later than June 1. Post-graduate work may be understaken at other than a Canadian university and the winners are under no obligation to Imperial Oil, who also waive rights to any patents resulting from research by the fellows.

Further information about the fellowships and nomination forms may be obtained at the Registrars office of the individual universities, it is stated.

More Insurance Said Placed With Alberta Gov't Offices

Increased volume of both fire and life insurance written with the Alberta Government Insurance Office is reported by Premier (and Provincial Treasurer) Manning in his budget speech.

Fire insurance policies in force on Oct. 31, 1946 totalled $81,989,576, an increase for the year of 33%. A large part of this business was reinsured, thus reducing the province's liability. In addition a reserve is being set up from the earnings of the office.

Life insurance in force on Dec. 31 was $2.3 millions, about 28% above the previous year, Mr. Manning added.

The Alberta Hail Insurance Board, he continued, last year had the largest volume of hail insurance in its nine-year history. It issued insurance to 16,551 farmers, covering over three million acres of grain crops and paid $770,484 in losses. At March 31, 1947, the board's reserve fund will approximate $1,235,000.

The government plans to permit the board to provide insurance, without any increase in rate, against hail damage to crops after they have been cut and are lying on the ground in swath or bundle.

"In nine years of operation, the board has returned to farmers 65 cents out of every dollar collected in premiums," Mr. Manning declared. "Of the balance, retained by the board, approximately half has been placed in the reserve fund; and the balance has taken care of all operating expenses.

"An adequate reserve is essential. However when this fund reaches the amount required, it is anticipated there can be a further reduction in the average premium rate.

"The board was established to provide insurance at the lowest possible rate and operates without government guarantee, or financial assistance by the government."

Independent sources state that one very important factor in most government insurance schemes is freedom from premium taxation while the expense of operations is often absorbed in general government expenses. Without a breakdown of all expenses of operation it is impossible to determine the actual cost, they say.

FORMAQUE GOLD MINES advises that sludge from surface diamond drill hole S-44-28 returned $7.35 and sludge from hole S-37 at depth of 750 ft. averaged $4.20 over 30 to 40 ft. On the 125-ft. level slash in east wall of second vein averaged $9.90 for 35 cars, with a high value of $14.70 reported On 250-ft. horizon, 212-87 raise returned an average of $9.55 over 13.5 ft. where raise has travelled up to the vein. Diamond drill hole U-229 returned core assays of $3.85 over 3 ft. from 6.1 to 9.1 ft. and $4.90 over 2.3 ft. from 25 to 27 ft.

INSURE WITH CONFIDENCE . . .

With the first British Insurance Office established in Canada, 1804.

PROTECTION

PHOENIX
ASSURANCE COMPANY LIMITED
OF LONDON, ENGLAND.
Montreal Toronto

FIRE • AUTOMOBILE • CASUALTY
INLAND TRANSPORTATION • MARINE

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN CELANESE LTD. 1946 net profit was up 45.8% and set a new high. A sharp reduction in income tax provisions more than offset a decline in net earnings, brought about by a rising trend of costs. After expenditure of $2,594,-664 on plant expansion, double the 1945 expenditure of $1,225,532, net working capital showed a reduction from $9,583,495 to $6,806,470.

During the latter part of 1946 the company purchased a plant site of approximately 114 acres at Sorel, on which it is now constructing a plant which will substantially increase the company's production, President Camille Dreyfus stated. Expansion and improvement of the facilities at the Drummondville plant continued during the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$4,642,670	$4,905,657
Less: Deprec.	610,250	594,269
Inc. tax, etc.‡	1,800,000	2,737,000
Amort., pat., etc.	197,039	197,456
Invent. res.	8,000	▪13,000
Net profit*	2,027,381	1,389,932
Less: Inc. rts. int.	55,071	122,400
Pref. divds. (new)	700,000	175,000
Pref. divds. (old)	......	525,000
Pref. part. div. (old)	......	57,000
Com. divds.	776,023	570,818
Surplus for year	496,287	▲60,286
‡Incl. refund. EPT	......	371,000

▲Deficit. ▪Credit.

*Note:—Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$4.93	$3.17
Incl. ref. EPT	4.93	4.10
Paid (new)	1.75	0.43¾
Paid (old)	......	5.25 + .057‡
Com.: Excl. ref. EPT	4.10	1.83
Incl. ref. EPT	4.10	3.02
Paid	2.50	2.00

‡Participating div. for prior year.

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash	$894,517	$3,869,893
Investments‡	4,139,378	4,961,378
Accts. rec.	1,115,676	988,932
Inventories	2,243,799	1,895,279
Total curr. assets	8,393,370	11,715,478
Def. & prep. chgs.	298,569	365,138
Invest., etc.▲	1,505,571	1,518,186
Fund. re inc. rts.	......	367,200
Fixed assets	18,385,987	15,869,541
Patents, etc.	1,044,518	1,035,558
Total assets	29,628,015	30,871,101
Accts., tax., pay., etc.	1,586,900	2,072,782
Int. on inc. rts.	......	59,202
Total curr. liab.	1,586,900	2,131,984
Depr. & amort. res.	7,310,326	6,715,688
Invent. & spec. res.	451,000	493,000
Debentures	5,000,000	5,000,000
Fund. re inc. rts.	......	367,209
Capital stock	11,219,045	11,219,045
Distrib. surplus	62,500	62,500
Surplus▲	3,998,244	4,881,675
▲Incl. refund. EPT	1,398,385	1,411,000
‡Mkt. val., approx.	4,994,000	6,121,000
Working capital	6,806,470	9,583,494

OTTAWA LIGHT, HEAT & POWER CO. 1946 net profit was up 47.9%. Chief factor in improved showing was the substantially reduced provision for income taxes. No major capital expenditures were made in 1946, but in 1945 the equipment for a 4,000 kilowatt substation was ordered. Enough arrived in 1946 to give some service.

Discussions with the Hydro-Electric Power Commission of Ontario, looking toward taking over of the company's electric business and office building, are still proceeding.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1946	1945
Net earnings	$1,062,905	$1,074,724
Less: Deprec.	353,300	353,600
Bond interest	151,911	153,095
Appraisal exp.	......	2,500
Prov. for inc. tax‡	259,490	363,951
Net profit*	298,204	201,578
Less: Pref. divds.	85,000	85,000
Common divds.	84,000	84,000
Surplus for year	129,204	32,578
‡Incl. ref. EPT	......	44,680

*Note: Co's. report incls. ref. EPT in net profit and surplus for year 1945.

Times Bond Interest Earned:		
Before deprec.	7.00	7.02
After deprec.	4.67	4.71
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$17.54	$11.86
Incl. ref. EPT	17.54	14.49
Paid	5.00	5.00
Com.: Excl. ref. EPT	1.52	0.83
Incl. ref. EPT	1.52	1.15
Paid	0.60	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1946	1945
Cash & Dom. bds.	$1,018,867	$629,013
Accts. rec.	214,646	275,712
Inventories	101,081	107,554
Total curr. assets	1,334,594	1,012,279
Misc. assets▲	48,420	47,071
Fixed assets*	6,089,344	6,346,874
Franchises, etc.	1,784,062	1,784,062
Total assets	9,256,420	9,190,286
Total curr. liab.	393,216	432,576
Funded debt	3,777,500	3,805,500
Capital stock	4,300,000	4,300,000
Surplus▲	785,704	652,210
*After depr. of	3,421,081	3,074,018
▲Incl. ref. EPT	35,813	35,821
Working capital	941,378	579,703

Expect CPA Rate Cut To Aid Yellowknife

From Our Own Correspondent

EDMONTON—Heavy volume of freight traffic is expected to be moved from Edmonton to the Yellowknife mining area this spring, following the company's decision to reduce rates on volume shipments by 50% on Mar. 17, R. W. Ryan, western regional manager for Canadian Pacific AirLines, states

Ryan said one purpose of the cut in rates was to develop a distinctive cargo or volume freight business, for which "stripped" DC3 planes capable of carrying four tons would be used.

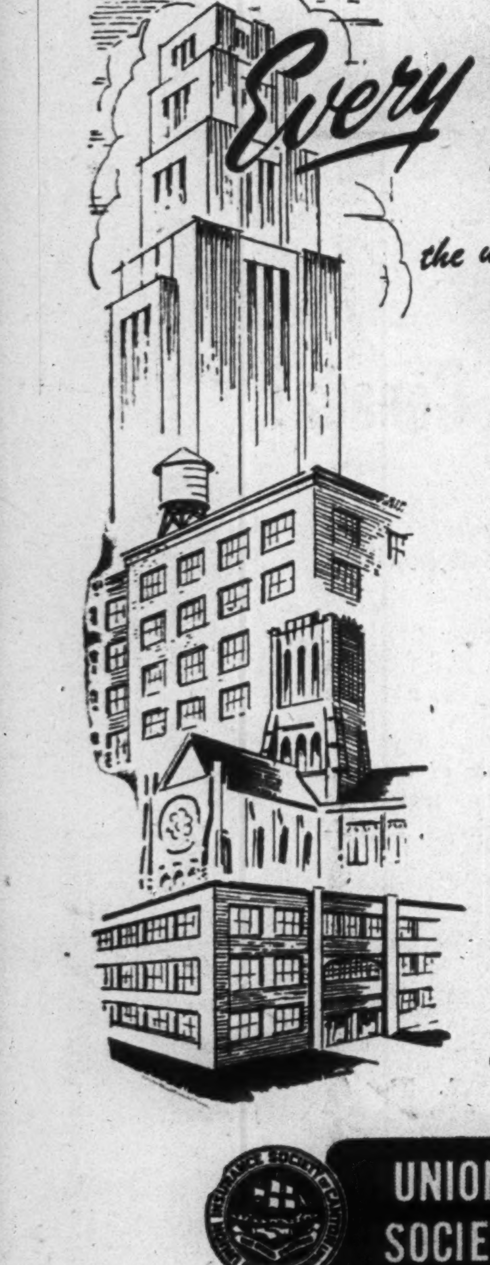
Edmonton May Get Two Oxygen Plants

From Our Own Correspondent

EDMONTON—Canadian Liquid Air, Montreal, and newly incorporated company, Alberta Oxygen & Acetylene, both plan establishment here of oxygen and acetylene factories, with warehouses to include distribution of welding and cutting equipment.

Liquid Air, already operating branch plants at Calgary, Winnipeg, Regina, Vancouver and North Vancouver, recently let it be known it would build here as soon as supply of building materials is nearer demand. Expected capital outlay for land, building and equipment was put at about $250,000.

Alberta Oxygen, Frank W. Schmuck, Toronto, president, has two carloads of equipment on a siding here, will install it in an existing building now the subject of lease or purchase negotiation. Capital outlay may run around $500,000 with operations to begin possibly early in April.



Every PUBLIC & PRIVATE ENTERPRISE NEEDS *the unseen but ever-present safeguard of* INSURANCE

WITHDRAW this necessary protection and many enterprises would cease to function.

The ever constant hazard of fire with its attendant loss and dislocation of business, financial set-backs due to dishonesty of employees, and consequential losses caused by these and many other hazards may at any time ruin or seriously impair any business venture.

Insurance is no longer something which may be taken up and laid down at will. It is an economic necessity — stabilizing industry and commerce — helping to make progress and expansion possible.

The "Union of Canton" is proud to be associated with other progressive "Tariff" Companies in serving public and private interests — working to minimize hazards — devising effective fire and accident preventive measures — affording sure indemnity against financial loss.

This old-established British company is well known for prompt and equitable settlement of claims. Your "Union of Canton" agent will consider it a privilege to serve you.

UNION INSURANCE SOCIETY OF CANTON LIMITED
FIRE • MARINE • GENERAL INSURANCE — EST. 1835

Head Office For Canada: Metropolitan Bldg., Toronto • Colin E. Sword, Manager for Canada
COMPANIES OF THE "UNION OF CANTON" GROUP
BRITISH TRADERS INSURANCE COMPANY LIMITED • THE BRITISH OAK INSURANCE COMPANY LIMITED
BEAVER FIRE INSURANCE COMPANY
Also under same management in Canada: THE SOUTH BRITISH INSURANCE COMPANY LIMITED

41B

Your Shield of Security

"1946 Our Best Year"

These three words aptly describe the results achieved during the past year:

46% gain in New Business
13.8% gain in Total Business in Force

backed up by a strong financial position.

A copy of our complete Annual Report will be mailed on request.

Toronto Mutual Life Insurance Company

Automobile and General Casualty Insurance
Lumbermens
Fire and Allied Lines Written in Associated Companies
Agency Inquiries Invited
"THE SAFETY-MINDED COMPANY"

SERVICE WITH SECURITY

THE PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY

Behind this motto

Behind the motto of The Portage Mutual — "Service with Security" — stands a sixty-three year record of fair dealings and prompt settlements. Backed by sound financial resources, this record will continue unbroken . . . a shield of protection for thousands of policyholders, against crippling property loss by Fire or Windstorm.

The
PORTAGE LA PRAIRIE MUTUAL INSURANCE COMPANY
Established 1884
HEAD OFFICE: PORTAGE LA PRAIRIE, MAN.
WINNIPEG - REGINA - EDMONTON

FIRE and WINDSTORM

WHEN YOU REMODEL OR BUILD YOUR PLANT... MAKE PROVISIONS FOR *Motor Transport* ALONG THESE LINES....

because

- Motor Transport is the modern, flexible way of hauling your goods.
- The smooth, uninterrupted flow of goods both *in* and *out* of your plant may determine how well you can compete in tomorrow's markets.
- Ample loading and unloading facilities with platform at proper height cut costly delays.
- Proper location of shipping and receiving docks can speed goods direct from supplier to production lines and eliminate cost of double handling or big stockpiles.

AUSTIN-DESIGNED
SIGNODE STEEL STRAPPING CO.

Your Planning Committee Should Include
. . . your traffic manager—your architect—your contractor and your motor transport operator. Working together, they can materially aid in your plans to provide a "built-in", efficient transportation set-up.

Branches or Sales Representatives at Montreal, Toronto, London, Pt. Arthur, Calgary.
FRUEHAUF TRAILER COMPANY of Canada Ltd.
TORONTO (Weston) ONTARIO

FRUEHAUF TRAILERS "Engineered Transportation"

P. A. WOLANSKI
Advertising Counsellor
P.O. BOX 781 WINNIPEG Canada

TECHNICAL SERVICES:
APPRAISALS:
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METALLURGICAL EXAMINATIONS
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REGISTERED PROFESSIONAL ENGINEER
Elgin 5548 319 Bay Street, Toronto, Ont.

Industrial Growth in Canada

New Plant Expansion Projects to Increase Production and Employment in Industry

Hinde & Dauch

Hinde & Dauch Paper of Canada, President Sidney Frohman, Sandusky, Ohio, Vice-President and General Manager L. F. Winchell, Toronto, buys 10-acre site near Chatham, Ont.; plus 150,000-sq. ft. box factory to employ 150 initially, two-thirds men, according to William Gray, commissioner, Chatham Industrial Service Bureau. Hinde & Dauch already has box plants Toronto and Montreal, besides paper mills (2) at Toronto and Trenton, Ont. Plans for Chatham "have not been finalized but certain equipment orders have been placed," Commissioner Gray advises The Financial Post.

* * *

Johnson Matthey

Johnson Matthey & Co. (Canada), President and Treasurer Stanley Stilwell, Toronto, starts building new plant, York Tp., near Toronto; cost $600,000; engineers Ewart, Armer & Byam; contractor A. W. Robertson Ltd.; 1 story 260 by 250 ft., reinforced concrete and steel construction, sawtooth monitor roof. Johnson Matthey, precious metal refiner and dealer, is subsidiary of 200-year-old British company, same name. Last fall (The financial Post Oct. 29) announced association with P. R. Mallory & Co., Inc., Indianapolis, Ind., with a new organization, Johnson Matthey & Mallory Ltd., operated by Johnson Matthey (Canada). Current expansion includes provision for Canadian manufacture of Mallory devices and parts for electrical and metallurgical equipment.

* * *

Woods Mfg.

Woods Manufacturing, President W. A. Eden, Montreal, starts building new plant at suburban St. Lambert; cost $500,000; engineer Charles A. Norris, of owner's staff, in consultation with H. T. Langston, architect; contractor E.G.M. Cape & Co. Woods makes jute and cotton bags, heavy clothing, canvas goods, cotton cloth, yarns, twines. Main plant Mullins St., Montreal.

* * *

Molson's

Molson's Brewery, President H. W. Molson, Montreal, has foundations going in for plant extension Notre Dame St. E., Montreal, mainly for new bottling cellar. Cost may reach $2.5 millions including equipment and 200-ft. concrete-lined tunnel 6 ft. by 6 ft. from boiler plant. Architect and engineer is J. Cecil McDougall; consulting structural engineers McDougall & Friedman; consulting mechanical engineers Harley, Ellington & Day, Detroit; contractor Foundation Co. of Canada.

* * *

Inco

International Nickel, Canada, President and Chairman R. C. Stanley Dongan Hills, N. Y., Vice-President and General Manager R. L. Beattie, Copper Cliff, Ont., pushes construction (at foundation stage) at Copper Cliff of smelter addition to make nickel oxide sinter for alloy and stainless steels; estimated cost $13 millions including equipment; general contractor Fraser-Brace Engineering Co., Ontario, Toronto. Preliminary work was by Inco's construction subsidiary, Nordale Construction, reportedly being dissolved.

* * *

Polymer

Polymer Corp., Vice-President and Managing Director J. R. Nicholson, Sarnia, starts building ethylene recovery compressor house units 120 by 30 ft. and 30 by 54 ft.; cost about $1 million, mostly equipment; contractor Canadian Kellogg Co., Toronto; subcontractor for building R. W. McKay. Also under construction by McKay is pilot plant for butyl-type synthetic rubber, 1 story, thirty by 70 ft., concrete and brick, to cost $100,000, mostly equipment.

* * *

Dosco

Dominion Steel & Coal subsidiaries, President Arthur Cross, Montreal, erect steel frame for $250,000 plant at Stellarton, N.S., to wash Pictou County coal for consumer distribution. Existing Dosco washer at Sydney provides for steel-making. New washer will be operated at 2,400-tons per 16-hr. day, will be almost completely automatic and require workers mainly for removal of "splint" and stone. It will wash output of Acadia Coal's McBain, Acadian No. 7, Albion & MacGregor and Allan collieries (opening of McBain seam for fully mechanized operation scheduled for this summer with 200 workers). Plans for washer by Acadia engineers, construction by Eastern Car, both subsidiaries of Dosco's N. S. Steel & Coal. H. C. M. Gordon, Sydney, is manager of Dosco coal operations. (Industrial Growth, "Acadia Coal," Jan. 18.)

* * *

Stearns

Frederick Stearns & Co., Canada, Windsor, Ont., Sterling Drug, Detroit, Stearns division subsidiary, improves plant interior; introduces "straight line production" in filling and finishing Stearns and Nyal toiletry and pharamceutical products. Some new equipment being installed; capacity increase "substantial"; little change in employment.

Edmonton Utility Revenue is Lower

From Our Own Correspondent

EDMONTON—Net revenue and taxes paid the city from Edmonton's five city-owned utilities totalled $1,213,218 in 1946, a decrease of $8,362 from 1945. The total represented approximately 20 mills on the current tax rate.

Gross revenue from the utilities was $7,619,560 ($7,599,696 for 1945). Expenditures were 4,445,182 ($4,334,922).

Of the gross surplus, $620,825 was paid out in capital charges, $1,340,333 was placed to credits of renewal reserve accounts and $826,476 was paid in taxes. Surpluses were in the electric light, power plant, telephones and waterworks departments; a deficit in the street railway system, attributed to the change in working hours from 48 to 44 a week, and staff increases.

OTTAWA VALLEY TRUST COMPANY

INCORPORATED BY SPECIAL ACT OF PARLIAMENT OF CANADA ASSENTED TO 18th DECEMBER, 1945

BALANCE SHEET AS AT 31st DECEMBER, 1946

COMPANY FUNDS

ASSETS

CURRENT ASSETS:			
Cash			$260,310.74
INVESTMENTS:			
Dominion of Canada Bonds— At cost (Quoted Market value $78,468.75)	78,618.75		
Accrued Interest	250.00	$78,868.75	
First Mortgage	$6,000.00		
Accrued Interest	37.50	6,037.50	84,906.25
PREPAID EXPENSE			400.00
FIXED ASSETS:			
Furniture and Fixtures		$ 1,502.30	
Less: Reserve for Depreciation		40.69	1,461.61
ORGANIZATION EXPENSE			5,562.81
			$352,641.41

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable and Accrued Expense		$	2,185.70
SUBSCRIPTIONS TO CAPITAL STOCK RECEIVED IN ADVANCE			59,190.00
CAPITAL STOCK AND DEFICIT ACCOUNT:			
Capital Stock— Authorized—10,000 shares of a Par Value of $100.00 each.		$1,000,000.00	
Subscribed — 3,867 shares	$386,700.00		
Less: Unpaid subscriptions (Instalments due monthly)	97,640.00	$289,060.00	
Premium received on subscriptions to Capital Stock		19,010.00	
		$308,070.00	
Deficit Account: Balance—31st December, 1946		16,804.29	291,265.71
			$ 352,641.41

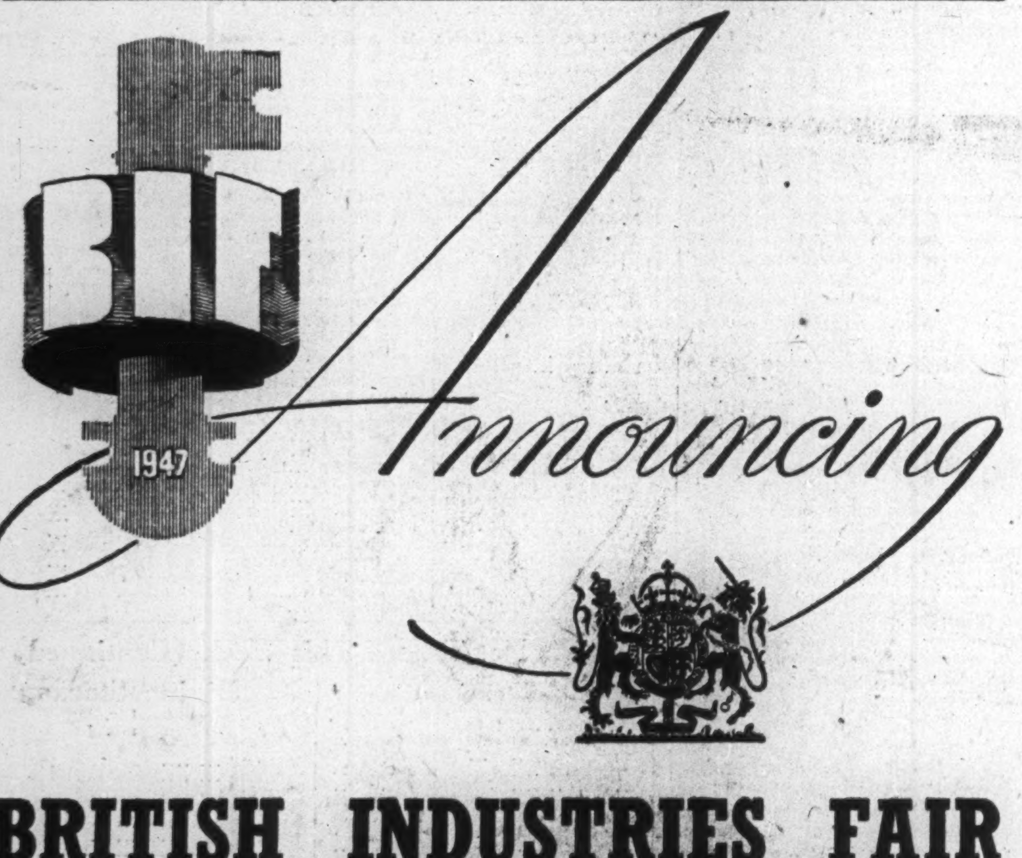
ESTATE, TRUST AND AGENCY FUNDS

FUNDS AND INVESTMENTS	1,863,397.59	ESTATES, TRUSTS AND AGENCIES	1,863,397.59
	$2,216,039.00		$2,216,039.00

OFFICERS AND DIRECTORS

G. GORDON GALE, President
J. GORDON FLECK, Vice-President CAMERON M. EDWARDS, D.S.O., Vice-President
J. S. SHAKESPEARE, General Manager

WILLARD R. BEATTY
E. R. BREMNER
D. P. CRUIKSHANK, O.B.E.
G. MAXWELL EDWARDS
D. HAMILTON FINDLAY
DAVID A. GILLIES
JOHN GLEESON
DUNCAN K. MacTAVISH, O.B.E., K.C.
G. W. MITCHELL, C.A.
G. SCOTT MURRAY
B. B. OSLER
H. S. SOUTHAM, C.M.G.
HON. CAIRINE R. WILSON
NORMAN F. WILSON



BRITISH INDUSTRIES FAIR

LONDON and BIRMINGHAM, MAY 5—16, 1947

This is your first opportunity in seven years to see your old suppliers in Britain and to meet new ones.

Overseas Buyers are invited to Britain for the 1947 British Industries Fair. It will enable them to establish personal contact with the makers of the immense range of United Kingdom goods displayed in the London (Lighter Industries) and Birmingham (Hardware and Engineering) Sections of the Fair. The careful grouping of the exhibits will assist buyers to compare the products of competing firms with a minimum of time, trouble and expense. Special arrangements to suit individual markets can be discussed and terms and conditions of business settled direct with the manufacturer, since only the actual producer or the sole selling agent may exhibit.

★ *For full details of the 1947 Fair apply to the nearest British Commercial Diplomatic Officer or Consular Officer, or the British Trade Commissioner in your area.*

BRITAIN PRODUCES THE GOODS

NEW AND REFUNDING ISSUE

$6,000,000

British Columbia Pulp & Paper Company, Limited

First Mortgage Bonds

$2,000,000 Serial 3½% Bonds **$4,000,000 20-Year 3½% Bonds**

To be dated April 1, 1947. Serial Bonds to mature as to $200,000 on April 1, 1949 and as to $300,000 annually on April 1, 1950-1955 inclusive. 20-Year Bonds to mature April 1, 1967. Principal, premium and semi-annual interest (April 1 and October 1) payable in lawful money of Canada at the principal offices of the Company's bankers in the cities of Charlottetown, Halifax, Saint John, Quebec, Montreal, Ottawa, Toronto, Hamilton, Winnipeg, Calgary, Vancouver and Victoria, Canada, and St. John's, Newfoundland. 20-Year Bonds in coupon form in denominations of $1,000 and $500, registrable as to principal only; Serial Bonds in coupon form in denomination of $1,000, registrable as to principal only. Redeemable at the option of the Company at any time before maturity on 30 days' notice as a whole or in part at the following prices: (a) as to the 20-Year Bonds, for purposes other than sinking fund, up to and including April 1, 1951 at 103%; thereafter on or before April 1, 1955 at 102½%; thereafter on or before April 1, 1959 at 102%; thereafter on or before April 1, 1962 at 101½%; thereafter on or before April 1, 1965 at 101%, and thereafter before maturity at 100½%; (b) for sinking fund, if redeemed on or before April 1, 1959 at 101%; thereafter on or before April 1, 1962 at 100¾%; thereafter on or before April 1, 1965 at 100½%, and thereafter before maturity at 100¼%; (c) as to the Serial Bonds, at declining premiums as set out in the prospectus; in each case with accrued interest to the date fixed for redemption.

Trustee: Montreal Trust Company.

In the opinion of counsel these bonds will be investments in which companies registered under The Canadian and British Insurance Companies Act, 1932, as amended, may invest their funds.

CAPITALIZATION
(Giving effect to this financing)

	Authorised	Outstanding
First Mortgage Bonds	$10,000,000	$6,000,000*
7% Cumulative Redeemable Preferred Shares of $100 par value	1,000,000	556,200
Common Shares of no par value	150,000 shares	100,000 shares

*3½%, this issue.

We offer as principals the 20-Year 3½% Bonds due 1967 for delivery if, as and when issued and received by us and subject to prior sale and the approval of counsel of all proceedings.

Price: 100 and accrued interest

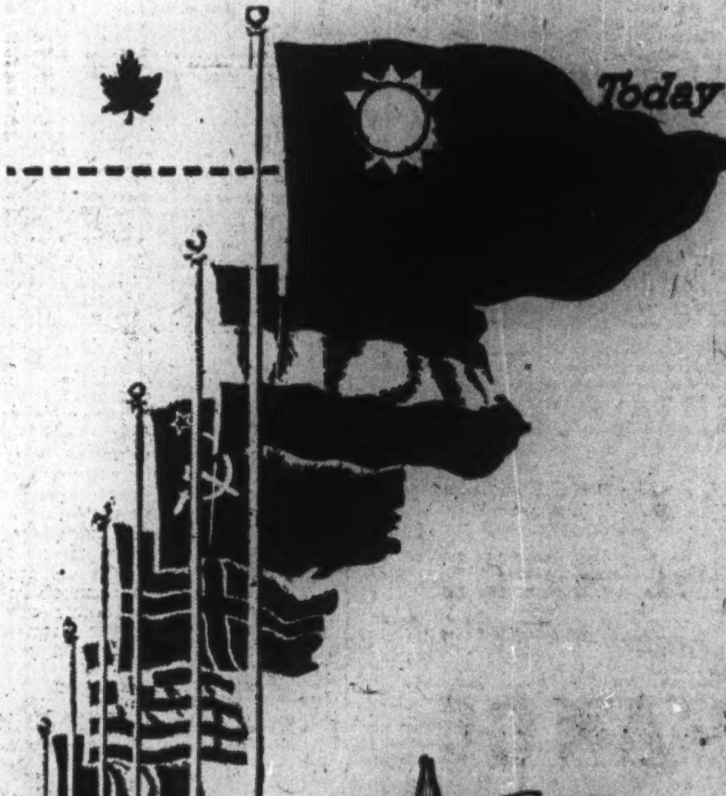
It is expected that Trustee's interim certificates will be available for delivery on or about April 1, 1947.

A prospectus, a copy of which has been filed with the Secretary of State of Canada under the provisions of The Companies Act, 1934, as amended, and also with the Registrar of Companies of British Columbia, will be promptly furnished on request.

ROYAL SECURITIES CORPORATION LIMITED

MONTREAL TORONTO HALIFAX SAINT JOHN QUEBEC OTTAWA WINNIPEG
CALGARY VANCOUVER CHARLOTTETOWN HAMILTON ST. JOHN'S, NFLD.

Today we Live in a Greater Canada



Foreign Flags over OTTAWA

TELL OF CANADA'S IMPORTANCE IN THE MODERN WORLD

20 years ago there was none . . . ten years ago only four . . . TODAY there are 24 Ambassadors, High Commissioners and Ministers representing their governments at Canada's capital. Striking evidence, that, of Canada's new place among modern nations!

We emerged from the war a far greater country than we ever were in pre-war days. Peacetime accomplishments are maintaining that new greatness today.

In the 20's we had a High Commissioner in London, and an Agent-General in France—but we had little say in our foreign affairs. Canada negotiated with foreign powers through the British Foreign Office, with Empire countries through the British Colonial Office.

In World War I Canada won the right to a separate signature to the Treaty of Versailles. That made 1919 an important date for us. Then, in 1931, we and the other Dominions gained recognition as equal partners with the United Kingdom.

World War II...Canada's achievements in battle overseas and in production at home won us world recognition as a modern power. The great majority of the embassies at Ottawa were established during the war years.

GUY PURSER is a young Canadian who started in 1931 with a gasoline station. Today, as a result of applying his knowledge of motor cars, his energies and talents to the full, he has developed a unique business in automotive service. His success has enabled him to fulfill a long nourished ambition to train and ride his own jumping horses, taking part successfully in open competition, and to turn his dramatic abilities profitably to playing leading roles in motion pictures.

GUY PURSER says: *"I'm glad I decided to follow my career in Canada. There were opportunities when I started out. There are much greater ones now. No longer need young Canadians go beyond our borders to follow the road to success. It lies before them in Canada today."*

ONE OF A SERIES PRESENTED BY

Molson's

IN THE INTERESTS OF A GREATER CANADIAN APPRECIATION OF CANADA'S PRESENT GREATNESS.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 7

Range 1946-47 High	Low	Div. R'te $	Mar. 7 Y'ld %		Sales	Last Feb. 28	Week end. Mar. 7 H	L	Cl'se
22¾	14	.	...	Abitibi n.	5928	19½	19½	19	19
22	15	.	...	Do. $1.50 pr n	12675	21¼	21¼	21	21¼
41	34¾	.	...	Do. $2.50 pf n	415	39½	40	39½	40
24	19	1.00	4.4	Acadia Atlan A	1480	23¼	23¼	23	23
107	103	5.00	4.8	Do. 5% pref.	70	105	105	105	105
12	7	.	...	Acme Glove	500	10	11¼	10½	11
41½	28	4.50	...	Agnew Surp.	455	35	35	34	34
30	16	.	...	Algoma Steel	1085	25¾	27	25¾	26½
27½	26	1.00	3.7	Alum of Can p	135	26¾	26¾	26¾	26¾
[illegible]									
26	7	•	...	De Havilland	500	25	26	25	26
30½	16	.16	1.0	Distill-Seagram	3990	16½	17	16½	16½
30	24½	1.00	3.7	Dom. Bank	145	27	27½	26¾	26¾
45½	31	1.20	3.5	Dom. Bridge	1076	35½	35	34	34½
23	13½	1.50+2.25x		Dom Coal, p	160	15	15	15	15
14	9		...	Dom. Dairies	101	10½	11	9	9
36	28½	1.75	5.8	Do. pref.	160	30½	31½	30	30
8½	5		...	Dom. Electro	200	5½	7	5¾	7
62	41	2.00	4.4	Dom. Engineer.	25	46	46	46	46
56½	53	3.00	5.3	Dom. Fabric pf	20	54	56½	56½	56½
39	27	1.40	4.6	Dom. Foundries	430	30¾	31	30	30½
51½	37	1+.40	..	Dom. Glass	25	39½	40½	40½	40½
45	37	1.20+.40	4.0	Dom Oilcloth	60	40½	39	39	39
50½	40	4.50	...	Dom Scot In p	5	43¾	43	43	43
23	12½	.50	5.1	Dom. St. & CB	1224	15½	16½	14¾	14¾
28½	21	.32½	...	Dom. Stores	555	26	26½	26	26
32½	23	1.00	3.7	Dom Tar & Ch	230	28	27½	26¾	26¾
28	24¾	1.00	4.0	Do. pref.	250	26	25½	25½	25½
28½	23	1.00	3.7	Do. V.T.	65	26¾	26¾	26½	26¾
120	90	5.00	5.0	Dom. Textile	1155	98	100	97	100
18¾	12½	.80	5.5	Dom Woollens	663	14½	14¾	14½	14½
24	15	.75	...	Donnacona P.	2495	18	18	17½	17½
107	102	4.50	4.3	Do. pref.	80	104	104	104	104
19½	13	.15	...	Dryden Paper	1025	18½	18½	18½	18½
37½	14		...	East Koot Pr p	10	23	23	23	23
15½	8½	.15	...	East Steel	155	11	11	10½	10½
47½	37	1.20	..	Economic Inv.	10	39	40	40	40
22¾	20	1.00	4.9	Eddy Papers	460	20½	20½	20	20½
22½	15	.40	..	Electrolux	130	17½	17¾	17½	17½
36½	20	•	...	English Electric	170	20½	22½	20	22½
14	10	.40	...	Equitable Life	10	14	14	14	14
22½	21	1.00	4.7	Esmond Mills	20	21½	21½	21½	21½
6	2	*.25		Fairchild Air	10	2¾	2¾	2¾	2¾
22½	15	.80+.05	4.4	Fam. Players	3370	18½	18¾	18	18
67	43½	1.50+.50		Fanny Farm.	870	58½	59¾	57	57
11	5¾		...	Federal Grain	1350	7½	7½	7	7
134	98	9.25	..	Do. pref.	140	119	118½	114	114
2	2		...	Fibre Products	30	2	2	2	2
8	6¾	.50	7.4	Do. pref.	200	7	6¾	6¾	6¾
14½	11½	.60	4.7	Fittings (A)	150	13	13	12½	13
5	3¾		...	Fleet Aircraft	1700	4½	4¾	4¾	4½
4.00	1.50		...	Fleury Bissell	195	3.50	3.00	3.00	3.00
65	22½		...	Do. pref.	10	63	65	65	65
32¾	18	•	...	Ford Motor A	1990	21	25	21	21
34	24	1.40	5.7	Foundation Co.	100	24¾	24¾	24½	24½
75½	43	2.00	3.9	Fraser Cos.	1244	52	52½	51½	52
100½	98	4.50	4.6	Freiman, pref.	15	99½	99	99	99
20	13½	1.00	5.6	Gatineau Pwr.	250	17¾	18½	17¾	17¾
111½	105	5.00	4.6	Do. pref.	35	109	110	109½	109¾
7¾	3½		...	Gen. Bakeries	1450	5	5	4½	4½
21½	9	.50	...	Gen Products A	195	19½	20	19½	20
20¾	15½	.80	4.5	Gen. St. Wares	395	18½	18	17¾	17¾
109½	104	5.00	4.7	Do. pref.	5	106½	106½	106½	106½
113	104	4.00	3.8	Goodyear Tires	65	108	105	104	105
57	52½	2.00	3.7	Do. pref.	165	54	54½	54	54
12½	10¾	.50	4.4	Gord McKay A	100	11¾	11¾	11½	11½
29¾	15½	.50+.50	..	Do. (B)	25	25	29¾	29¾	29¾
22	20	1.00	4.8	Grafton, A	55	21	21½	20¾	20¾
35	15	.62½	..	Gt. Lakes Pap.	978	29½	30	28	28
78½	42	2.50	3.4	Do. pref. (A)	736	74½	75	72	73¾
425	370	15.00	3.7	Gt. West-Life	5	401	410	410	410

Range 1946-47 High	Low	Div. R'te $	Mar. 7 Y'ld %		Sales	Last Feb. 28	Week end. Mar. 7 H	L	Cl'se
15½	9	.	...	Gt. W Saddlery	25	12	10¾	10¾	10¾
7	4½	.20	3.6	Greening Wire.	115	5½	5½	5½	5½
18½	12½	.80	5.3	Gypsum, Lime.	1785	15¾	15½	15½	15½
14½	6½	.	...	Ham. Bridge	882	8½	8½	7½	8½
21½	17	.90	5.3	Ham. Cot., pf.	150	17	17	17	17
16½	9¾	.20	...	Harding Carpet	1190	11	11½	10¾	11
39	20½	.50	...	Hayes Steel	170	24½	24½	24½	24½
25½	19½	1.00	4.6	Hinde & Dauch	530	22½	22½	22	22
20	4	.25	...	Ho. De LaSalle	10	20	20	20	20
38	20½	1.00	3.6	H. Smith Pap.	830	28½	27½	27½	27½
[illegible]									
13½	11	.60	5.0	Silverwoods A.	1698	11¾	12	11¾	11¾
8¾	5¾		...	Do. (B)	70	8½	8½	8	8½
18½	10	.40	2.5	Do. pref.	125	16	16	16	16
33	19¾	1.20	4.1	Simon & Sons.	20	28½	29	29	29
40	27	.75	...	Simpson, A.	220	29½	29½	28¾	29½
37½	23½	.50	...	Do. (B)	490	26	25¾	25	25
108½	101½	4.50	4.3	Do. pref.	90	106	106	105	105
25	16½	.76	4.2	Southam	925	18½	18½	18	18
18	13½	1.00	5.6	So. Can. Pr.	135	18	17¾	17¾	17¾
132	115	6.00	4.9	Do. pref.	296	122	123	122	123
.41	.22	.	...	South. Invest.	150464	.20	.41	.30	.35
14	6	.	...	St. Law. Corp.	2447	12½	12½	11½	11½
44½	25	1.00	2.6	Do. (A)	725	41	41	39	39
129	83	10.00	8.1	St. Law. Pap. p	401	125½	126	123	123
16½	7¾		...	Stand. Chem.	1910	9¾	9¾	9½	9½
106	100	5.00	4.9	Do. pref.	50	103½	104	103	103
10½	5½		...	St. Pav. & Mat.	320	7½	7½	7	7
24	17½	.62½+.31¼		Do. pref.	305	22	21¾	21	21
8	6	.40	5.7	Stand. Radio	190	7	7	6	7
12½	10½	.60	5.7	Stan. Brock	75	10½	10½	10½	10½
8	7	.40	5.3	Do. (B)	40	7¾	7¾	7½	7½
20½	10½	.60	3.6	Stedman Bro n.	75	16½	16¾	16¾	16¾
93	73	3.00	3.8	Steel of Canada	620	80	80½	79½	79½
95	77	3.00	3.5	Do. pref.	446	87	86¾	85	85¾
10½	7	.	...	Sterling Coal	10	10½	9	9	9
29½	25	1.50	6.0	Stowell A pref.	25	27½	25	25	25
23½	18½	.80+.25‡		Stuart, DA, pf.	25	19½	19½	19½	19½
28	21½	1.00	3.7	Tamblyn	25	27½	28	27	27
7¾	5¾	.25	...	Taylor Pearson	225	6½	6½	6½	6½
12½	10½	.50	4.0	Do. 5% pref.	160	12½	12½	12½	12½
23	14	.	...	Thrift Stores	115	17	17	16½	16½
12	11½	.40	3.5	Tor. Elevators	212	11¾	11¾	11¾	11¾
14	11	.60	4.9	Toronto Iron A	275	12½	12¾	12½	12½
80	70	.4+.1‡	..	Traders Bldg.	75	75	80	80	80
185	165	7.00	3.8	Tuckett Tob. p.	19	185	183	182	183
26	12	.	...	Twin City	25	15	15	15	15
12½	8½		...	Union Gas	495	9¾	9¾	9½	9¾
31	26	1.25	..	Un. Amuse. A.	4	30	29	29	29
30	25	1.25	..	Do. (B)	1	30	29	29	29*
31	19	1.00	5.0	United Corp. B	275	19	20	19	20
36½	10	.50	...	United Distill.	300	20	20	19	19
58	40¾	3.00	6.5	United Fuel, pf.	110	47	47½	46½	46½
11	5½		...	Do. B pref.	165	7	7	7	7
20½	16	1.00	5.0	United Grain A	15	19½	20	19½	20
13½	8½	.70	7.8	United Steel	3480	9½	9½	9	9
22	15	.15	0.8	Viau Ltd.	6	20	20	20	20
25½	24	1.25	5.0	Vir Dare 5% p	25	24½	25	24½	25
99	74¾	4.00	5.3	Wabasso Cot.	91	79½	79	75	75
31½	24	.30	...	Walker-Good.	5070	25	25	24½	24¾
37	18	3.00	8.6	West Grocers	405	37	37	35	35
39¾	33½	1.50	3.9	Do. (A)	235	39	39¾	38½	38½
44¾	33½	1.40	4.0	Do. pref.	40	35½	35½	35½	35½
30	22	1+.50	4.0	Westeel	661	25	25	23	25
36¾	22	.80	2.6	Weston George	990	31	31	30¾	31
27	22	1.00	4.4	Wilsils	140	22½	23	22¾	22¾
14½	11	.	...	Windsor Hotel	85	13	14½	13¾	14½
21¾	10	.50	...	Winnipeg El. A	4545	16¾	16¾	15½	15½
105	94½	5.00	5.0	Do. pref.	127	99½	99½	99	99½
60	39½	2.00	3.3	Woods Mfg.	418	53	60	54½	60
29	22	1.00+.50‡		Wool Comb.	160	25½	25	25	25
19	13½	.40	2.4	York Knitting.	350	15	16½	15½	16½

Range 1946-47 High	Low	Div. R'te $	Mar. 7 Y'ld %		Sales	Last Feb. 28	Week end. Mar. 7 H	L	Cl'se
175	172	7.00	4.1	Do. 1st pref.	6	173	172	172	172
45	34	1.00	2.7	Zellers	150	37½	37½	37½	37½
30½	25½	1.50	5.4	Do. 6% pref.	110	29	29	27½	27½

†Paid in 1944. *Paid in 1945. ■Paid in 1946. ▲N. Y. funds. ‡Extra. xOn arrears. ♦Paid or payable in 1947. §Net after income taxes. •Dividend deferred.

Mining Stocks

Range 1946-47 High	Low	Div. Rate $	Yield %	Company	Sales	Last Feb. 28	Week Ending Mar. 7 High	Low	Close
[illegible]									
				Halcrow	5,400	.07	.07½	.06	.06
				Halliwell G.	5,500	.04½	.04½	.04	.04
6.00	4.00	‡.36	....	Hallnor	200	5.25	5.20	5.15	5.15
1.24	.48		....	Hard Rock	9,000	.59	.58	.53	.53
.31	.08		....	Harker	6,550	.17	.17	.15½	.15½
.35	.10		....	Harricana	25,200	.17½	.18	.15	.15
2.70	.95		....	Hasaga	9,064	1.34	1.34	1.15	1.15
.31	.08		....	Headway	5,000	.10	.13	.11	.11
.69	.19		....	Heath	1,800	.26	.25	.25	.25
3.60	1.00		....	Hedley M.	13,300	1.18	1.20	1.00	1.03
.96	.51		....	Heva G.M.	58,650	.88	.89	.79½	.80
1.05	.75		....	High Bell	24,100	.80	.89	.84	.85
.25	.12		....	Highridge	12,700	.13	.14	.12	.13
19.75	10.00	§.06	....	Hollinger	4,200	10.62½	11.00	10.25	10.25
.35	.10		....	Homer Y'fe	1,900	.11	.13	.11½	.11½
.72	.36		....	Hosco	37,700	.59	.63	.55	.56
.73	.30	*.01	....	Howey Gold	11,000	.41	.40	.38	.38
50.00	35.00	§.75	....	Hudson Bay	4,505	42.25	43.00	41.75	42.25
.65	.24		....	Hudson R.	3,625	.27	.27½	.27	.27
.30	.07		....	Hugh Mal.	13,500	.09	.09	.07½	.08
.80	.15		....	Indian L.	22,700	.21	.21	.15	.15
1.65	.60	‡.02	....	Inspiration	1,000	.81	.79	.79	.79
2.09	.48		....	Int. Uran.	10,000	.60	.61	.55	.55½
2.30	1.36	‡.07	....	Island M.	300	1.75	1.61	1.51	1.61
.11	.03		....	Jacola	2,100	.04½	.04	.03	.04
1.15	.07½		....	Jack Lake	11,900	.10	.10	.09	.09½
.41	.06½		....	Jacknife	10,200	.10½	.10½	.10	.10
.41	.12		....	Jack Waite	4,500	.15	.15½	.13½	.14
.65	.35		....	Jason M.	30,794	.49	.50	.44	.44
.19	.05		....	Jellicoe	1,166	.09	.08½	.06	.06
.09	.02		....	J. M. Cons.	6,500	.04	.04	.03	.03
2.25	.45		....	Joliet Que.	26,922	.70	.70	.60	.60
.37	.09		....	Kay Rand.	21,600	.17	.17	.14	.14
.59	.33		....	Kelwren	19,900	.35	.37½	.33	.33
1.76	.26		....	Kenville	1,000	.35	.35	.34	.34
17.87½	11.25	§.03	....	K. Addison	3,691	13.50	13.50	12.75	13.25
.46	.35		....	Kirk. G. G.	21,400	.38	.40	.36	.36
2.30	.75		....	Kirk. H. Bay	1,400	.85	.90	.80	.90
2.90	1.16	‡.03	....	Kirkland L.	31,025	1.62	1.65	1.50	1.51
.55	.14		....	Kirk. Town	1,500	.16	.15	.15	.15
11.00	4.55		....	Labrador	5,025	5.65	5.65	5.50	5.50
.65	.23		....	Laguerre	76,500	.55	.53	.40	.42
1.42	.45		....	L. Dufault	1,500	.67	.65	.65	.65
.19½	.06		....	L. Fortune	11,500	.10	.10	.09	.09
.42	.19		....	L. Rowan	37,000	.25	.26	.23	.23
26.76½	13.00	§.18	....	Lake Shore	4,160	15.25	16.00	14.50	14.50
1.25	1.03		....	Lake Wasa	13,500	1.08	1.12	1.03	1.03
8.00	3.50		....	La Luz	500	3.70	3.65	3.50	3.50
8.75	5.50	§.02½	....	Lamaque G.	1,795	5.90	6.35	6.00	6.25
.20	.07		....	Lapa Cad.	7,200	.09	.10	.09	.09
.71	.25		....	Lapaska	27,200	.36	.36	.33	.33
.17	.08		....	Larder "U"	44,000	.10½	.10½	.08	.10
.09	.02		....	Lebel Oro	5,500	.03½	.04½	.04	.04
1.55	1.20	.08	6.2	Leitch Gold	4,200	1.32	1.36	1.27	1.30
.37	.18		....	Lexindin	3,500	.24	.26	.25	.25
1.46	.68		....	Lingman L.	46,700	1.24	1.25	1.14	1.16
1.42	.12		....	Lingside	10,600	.14½	.15	.13½	.14
3.45	1.50	‡.04	....	Little L.L.	8,000	2.21	2.20	2.00	2.00
4.40	1.00		....	Louvicourt	26,050	2.99	3.05	2.58	2.69
.86	.25		....	Lunward	10,100	.32	.32	.29	.29
.45	.19		....	Lynx Y.K.	9,400	.25	.25	.24	.25
5.00	2.75	§.02	....	Macassa	10,981	4.00	4.20	3.60	3.80
7.50	2.50		....	MacDonald	18,750	4.00	4.00	3.35	3.35

Oil Stocks

Range 1946-47 High	Low	Div. Rate $	Yield %	Company	Sales	Last Feb. 28	Week Ending Mar. 7 High	Low	Close
[illegible]									
.09½	.03½		....	Anaconda	26,900	.06	.06	.05	.05½
1.51	.90	‡.05	....	Anglo Can.	13,025	1.37	1.38	1.25	1.25
.23	.06		....	Apex	6,150	.09½	.10½	.08	.08
.55	.12		....	Br. Dom.	30,064	.20	.21	.16	.17½
2.90	1.55	.10	4.4	Calg & Ed.	5,850	2.30	2.30	2.05	2.05
.56	.20		....	Calmont	12,953	.33	.34	.30	.30
.47	.10		....	Coastal	4,700	.18	.17	.15	.16
.15	.10		....	Command	100	.14	.14	.14	.14
.51	.25		....	Common P.	1,750	.36	.40	.30	.35
.85	.25		....	Dalhousie	6,555	.42	.41	.38	.40
.20½	.08	†.01	....	Davies Pete.	2,100	.10	.12	.10	.12
.13	.05		....	East Crest	8,225	.07½	.07½	.06	.06
2.75	1.45	.25	10.6	Foothills	5,050	2.65	2.55	2.35	2.35
.03½	.01		....	Freehold	6,000	.03	.03	.02½	.02½
1.00	.50		....	Gaspe	2,300	.55	.55	.50	.50
.05½	.02		....	Grease Creek	14,000	.03½	.03½	.03½	.03½
.16	.05½		....	High Sarcee	36,600	.13	.13½	.11	.11
4.40	2.00	§.15‡.05	....	Home	10,370	3.40	3.40	3.25	3.25
.11	.03		....	Homestead	135,300	.03½	.05	.03	.03½
.03½	.00½		....	Lethbridge	36,000	.01½	.01½	.01½	.01½
.03	.01		....	Madison	2,000	.02½	.02½	.02½	.02½
.09	.01½		....	Marvel	7,500	.02	.03½	.02	.02½
.14	.06		....	McD Segur.	6,900	.09	.08½	.08	.08
.09	.03		....	McLeod	2,600	.07	.06½	.06½	.06½
.11	.04		....	Mercury	5,000	.06	.06	.06	.06
.17	.05		....	Midcont	14,500	.09	.09½	.07½	.07½
.26	.16	‡.02	....	Model	330	.21	.21	.20	.21
.21½	.10	‡.01	....	Nat. Pete.	1,500	.19	.17	.14	.14
.42	.08		....	Nordon	1,950	.14	.17	.16	.17
.07	.03½		....	Oil Select	9,500	.05½	.05½	.04½	.04½
.90	.25		....	Okalta	3,350	.51	.50	.42	.46
.18	.05		....	Pacalta	3,000	.08	.07	.07	.07
1.65	.34	‡.10	....	Pac. Pete.	11,000	1.02	1.00	.95	.95
.05½	.02		....	Phillips P.	10,000	.04	.03½	.03½	.03½
.16	.07		....	Princess P.	12,600	.12½	.14	.12½	.12½
.02½	.01		....	Richfield	200	.01½	.01½	.01½	.01½
1.87	.40		....	Roxana	25,100	.54	.60	.62	.62
.09½	.03		....	Royal Can.	61,600	.08½	.08	.06½	.07
25.50	14.00	1.00	6.1	Royalite	242	13.00	17.50	16.00	16.50
.08½	.03		....	So. Brazeau	39,700	.06	.06½	.05	.06½
.40	.16		....	So West Pete	200	.18	.18	.18	.18
.14	.06½		....	Spooner	3,000	.09	.09½	.09½	.09½
.25	.20		....	Superior	1,000	.25	.25	.25	.25
.04½	.01½		....	Trans Alta.	2,500	.02	.02	.02	.02
.55	.10		....	Turner V.	800	.40	.38	.30	.38
.14½	.05½		....	United Oils	3,000	.10	.09½	.08½	.08½
.40	.16		....	Vulcan	200	.22	.18	.18	.18

* Paid in 1944. ● N. Y. Funds. † Paid in 1945. x Extra
■ Sup. appl. F. E. C. B. ‡ Paid in 1946. ‡ Capital Repayment.
♦ Dividend deferred. § Paid or payable in 1947

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Mar. 10	216,700	1,308,000	58,875	1,100,000
Mar. 8	......	......	......	960,000
Mar. 7	231,000	1,452,000	75,830	1,590,000
Mar. 6	167,000	1,359,000	79,720	1,310,000
Mar. 5	250,900	1,725,000	90,860	1,260,000
Mar. 4	231,700	999,000	98,720	950,000

Unlisted Stocks

(Compiled from quotations supplied by Plaxton, McDonnell & Co., Kamm, Garland & Co. and Kippen & Co.)

Mar. 10, 1947

	Bid	Ask
Allens Toronto units	39.00	....
Anglo Amer. Timber	1.70	1.90
Anglo Can. Telephone A	11.75	12.50
Beauharnois L. H. & P.	2.50	...
Brandram Henderson	12.50	14.50
British Mortgage & Trust	167.00	....
B. C. Sugar	91.00	94.00
Canada Paving 1st pfd.	7.75	....
Canadian Airways	....	3.00
Can. Ingersoll Rand	62.00	65.00
Can. Investment Fund	4.60	5.10
Can. Investors Corp.	7.50	8.50
Canadian Motor Lamp A	12.00	13.00
Can. Silk Products, A	30.00	32.00
Can. West. Nat. Gas pfd.	106.00	108.00
Capital Wire Cloth com.	10.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase A. W. units	36.50	....
Chatco Steel com.	3.00	3.75
Chatco Steel pfd.	8.00	8.75
Colonial Steamships com.	75.00	80.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% paid	7.75	....
Commonw'lth. Inter. Corp.	3.63	3.99
Confed. L. Assoc. 30% pd.	150.00	....
Continental Life 20% paid	40.00	....
Cooksville com.	7.50	....
Cooksville 1st pref.	75.00	....
Cooksville 2nd pref.	40.00	....
Detroit Inter. Bridge new.	13.00	15.00
Dover Industries Ltd.	12.25	13.50
Dunlop Tire pfd.	25.00	27.00
Empire Life Ins. 25% pd.	17.00	19.00
Fed. Found. & Stl. new c.	1.75	2.25
Foreign Power Sec. pfd.	12.50	13.00
Galt Brass com.	28.50	....
Goderich Elev. & Trans.	15.75	16.75
Great Lakes Power pfd.	114.00	....
Great West Life	400.00	425.00
Guardian Realty pfd.	37.00	....
Guaranty Co. of N. Amer.	385.00	....
Guelph and Ont. Svgs. $50	57.00	....
Gurney Foundry pfd.	3.60	4.35
Halifax Insurance	18.00	20.00
Hart Battery com.	8.00	9.00
Imperial Life	335.00	380.00
Interprovinc'l Brick A pfd	35.00	....
Interprovinc'l Brick B pfd.	14.00	....
Lambton Ln. & Inv. $50 par	75.00	....
Laprairie com.	6.00	....
Laprairie pfd.	66.00	....
Loblaw Groc. Inc.	21.25	22.50
London & West. Trust $100	165.00	175.00
Manufacturers Life Ins.	310.00	....
Maxson Food System	1.50	2.50
Midland Loan & Svgs. $10	18.50	....
Monarch Life 30% paid	91.00	....
Monarch Mtge. units	3.75	4.75
Montreal Island Power pf.	....	38.00
Montreal Trust Co.	93.00	....
Mountainview Apts. pfd.	16.00	....
National Drug & Chem., com. new	9.00	9.75
National Drug & Chem., pfd. new	13.25	14.00
National Drug & Chem., com. old	10.25	11.25
New Brunswick Telephone	13.00	15.00
Northern Telephone com.	1.50	....
Ont. Tobacco Plant units	60.00	....
Paramount Kitchener units	55.00	....
Peller Brewing com.	9.00	10.00
Provincial Bank of Can.	15.25	16.25
Prudential Trust	9.50	11.00
Sawyer Massey com.	.75	1.25
Seiberling Rubber com.	13.50	15.50
Sincen. McNaughton Tugs	2.25	....
Sherbrooke Trust	135.00	....
Sovereign Life Assce. 25%	38.00	40.00
Standard Fuel. pfd.	47.50	50.00
Standard Fuel com.	3.00	5.00
Sun Life Assce.	490.00	500.00
Third Can. Gen. Inv.	3.70	4.10
Toronto Carpet pfd.	97.00	....
Toronto General Ins.	6.00	7.00
United Farmers Co-op.	3.00	....
United Steel A pfd.	25.00	27.00
University Tower	7.00	....
Victoria Trust & Svgs.	124.00	....
Waterloo Mfg. com.	8.00	9.50
Western Assurance com.	65.50	....
Western Grain com.	1.75	2.25
Western Grain pfd.	33.00	36.00
York Trading com.	10.00	12.00

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Mill-ing	Oils	Textiles and cloth-ing	Food and allied prod.	Bevre-gaes	Bldg. mater.	Power and trac-tion	Banks	Total utili-ties	Total co's.
No. of Securities	10	8	4	4	9	13	8	16	14	8	18	100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	122.5
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	177.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.4
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	123.3
July	190.0	266.1	140.0	71.8	206.4	134.0	430.2	157.3	109.8	135.3	132.2	119.1
Aug.	187.6	268.6	139.4	70.8	207.9	129.9	430.5	154.1	109.9	132.3	130.3	116.9
Sept.	162.7	229.4	122.6	64.9	190.5	123.7	349.2	137.1	103.7	124.1	118.8	104.4
Oct.	166.0	233.3	123.0	63.2	182.1	122.8	330.9	133.9	103.8	124.7	114.1	101.8
Nov.	173.7	235.1	122.7	63.1	180.7	121.0	314.3	134.9	107.5	129.8	115.2	102.5
Dec.	180.2	250.0	123.9	63.6	181.8	123.3	317.1	138.4	110.3	122.5	118.3	106.4
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	142.0	108.1	133.1	117.7	106.2
1947: Weekly Figures:												
Feb. 6	184.7	266.3	125.9	65.4	185.6	127.7	306.7	145.6	107.7	133.9	119.6	108.6
Feb. 13	187.2	268.0	125.0	70.7	194.0	130.2	303.7	146.9	109.4	134.3	122.5	110.8
Feb. 20	185.7	264.8	124.9	70.3	193.0	130.1	302.0	145.7	111.8	133.5	123.7	110.0
Feb. 27	181.1	257.9	125.4	68.0	190.4	131.2	297.5	143.1	112.5	132.0	121.2	108.1
Mar. 6	181.0	260.0	125.9	67.6	191.6	130.2	296.0	143.6	113.1	132.1	121.5	107.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 10	173.26	106.05	86.05	23.89
Mar. 8	......	......	......	......
Mar. 7	175.60	108.01	87.27	24.40
Mar. 6	178.78	109.95	88.92	25.12
Mar. 5	179.30	112.45	90.07	25.30
Mar. 4	178.83	111.52	89.51	25.67
Month ago	183.66	114.22	95.33	26.56
Year ago	187.13	134.97	98.48	29.21
1946-47 High	207.83	147.31	108.20	33.69
1946-47 Low	167.06	91.36	76.13	20.12

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
Mar. 10	77.7	123.8	108.4	331.15	72.81
Mar. 8	...	....	....	.....	.....
Mar. 7	77.9	124.8	109.1	336.26	73.04
Mar. 6	78.3	126.8	110.6	341.96	73.29
Mar. 5	77.9	126.7	110.5	342.29	73.78
Mar. 4	77.9	126.3	110.2	341.23	73.74
Month ago	77.3	129.3	112.0	361.92	76.47
Year ago	82.4	131.2	114.9	326.86	114.02
1946-47 H.	83.9	149.4	126.7	410.80	118.56
1946-47 L.	71.3	115.7	101.0	280.76	68.83

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 10	175.18	48.90	36.04	63.24
Mar. 8	175.84	49.32	36.10	63.53
Mar. 7	177.05	49.77	36.07	63.93
Mar. 6	181.65	51.50	36.85	65.74
Mar. 5	181.16	51.00	36.72	65.40
Mar. 4	179.11	50.41	36.52	64.85
Month ago	183.57	52.55	37.32	66.57
Year ago	193.52	62.26	40.12	72.56
1946-47 High	212.50	68.31	43.74	79.44
1946-47 Low	164.20	45.69	33.47	59.64

Government Bonds

Mar. 11, 1947

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	105¼	105½
3	Mar. 1954	106	106¼
3	Nov. 1956	105¾	106¼
3	May 1957	104¾	105¼
3	Jan. 1959	104½	105¼
3	June 1960	104½	105¼
3	Feb. 1962	104½	105¼
2¼	Mar. 1949	100¾	101¼
1¾	Mar. 1948	100½	101¾
1¾	Nov. 1948	100¼	100¾
1¾	Nov. 1950	100½	101¼
3	Oct. 1963	104½	105¼
3	Sept. 1966	104½	105¼
1¾	Nov. 1949	100½	101
Dom. of Canada Bonds			
3¼	Nov. 1951	102¾	103¼
4	Oct. 1952	101½	102½
3½	Feb. 1952	104½	105¼
3	Oct. 1952	103¼	103¾
3	June 1955	104	104¾
4½	Nov. 1957	101¾	102½
3	June 1958	104¾	105¼
4½	Nov. 1958	104½	105
4½	Nov. 1959	107	107½
3¼	June 1966	106	106¾
3	Perpetual	103¾	104¾
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	104	105
4½	Sept. 1951	*111¼	*112¼
4½	Feb. 1956	*118½	*119½
4½	July 1957	*119¾	*121
3	Feb. 1953	101½	102¾
4¾	June 1955	*118¾	*120
5	Feb. 1954	117¼	118¾
5	Feb. 1970	*113¾	*115
5	Oct. 1969	*112¼	*113¼
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	*118¾	*120¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*106¼	*108¼
4	Jan. 1962	*117¼	*119¼
Montreal Harbour Com.			
5	Nov. 1969	*112¼	*113¼
Provincial Govt. Bonds			
New Brunswick:			
3¼	June 1956	103¼	105¼
4½	Apr. 1961	121	123¼
5	Jan. 1960	124½	127
2¾	June 1966	98	100
Nova Scotia:			
3	Jan. 1952	104	105¼
3¼	June 1956	105¼	107
3¼	Nov. 1950	105¼	106¾
4½	Nov. 1960	122	125
5	Mar. 1960	127	129¼
3	June 1958	103	104¼
Ontario:			
3¼	Nov. 1961	103¼	105
3¼	May 1955	106	107¼
4	June 1962	119	121
4½	June 1950	108¼	109¾
4½	Jan. 1962	124	128¼
5	Oct. 1948	104¾	106
5	Dec. 1960	130	133
2¾	July 1976	100	101¼
Ont. Hydro Commission:			
3¼	Feb. 1953	104	105¼
4	Aug. 1957	115¼	117¾
2¾	June 1971	100	101¼
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3¼	Mar. 1959	106¼	107¼
4	Nov. 1952	107	108¼
3¾	Feb. 1955	107	108¼
4½	Aug. 1958	114½	116
4½	Jan. 1963	121	123¼
3	Feb. 1962	103¾	105¼
Alberta:			
3¼	June 1964	101¾	103¾
3¼	June 1959	102¾	105¼
3¼	June 1972	103¼	105¼
British Columbia:			
4	Dec. 1957	113¾	116¼
4½	Jan. 1951	111¾	114¼
4½	Oct. 1953	115¼	117¾
5	Apr. 1954	118¾	121¼
2¾	Apr. 1966	99¼	101¼
5	Sept. 1953	114¾	117¾
Manitoba:			
4	Dec. 1957	114¼	116¾
4½	Dec. 1956	117¼	119¾
5	Dec. 1959	126¾	129¼
5½	Oct. 1955	118¾	121¼
Saskatchewan:			
4	Sept. 1954	101½	103¾
4	Nov. 1960	104½	106¼
4½	Oct. 1951	107¾	110¼
4½	Mar. 1960	112¾	115¼
5	Aug. 1958	114½	117
5	Dec. 1959	117¾	120¼
5½	Oct. 1952	109¾	112¼
6	Mar. 1952	110¾	112¼

*N. Y. funds.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Mar. 7 Bid	Ask
Algoma Steel pf.	5.00	101	101	102
Amal. Electric	•	15	12	14
Andian Nat.	▲■1.00	15	15	17
Ang. Can. Tel. p.	2.25	52½	52½	55
Ault & Wiborg pf.	5.50	107	104	107
Barcelona	...	6	3½	..
Bates & Innes (A)	...	20¾	20½	21
Beath & Sons	■1.00	21	..	..
Beaver Lumber	1.00	20½	20	21
Do. (A)	♦.50	20	19	20½
Do., pref.	1.40	32½	32½	..
Belding Cort.	6.00+♦1	166	..	160
Do., pref.	7.00	168	167	..
Belgium Glove pf.	1.00	20	19	19¾
Biltmore Hats, new	.40	12½	12½	14
Blue Ribbon pf.	2.50	59	58	60
Blue Top Br. (B)	■.48	35	18	18¾
Bowes Co. (A)	.50	10½	10¾	10½
Do. (B)	...	19	19	22
Brant. Cord.	.50	13	12	13½
Do., pref.	1.30	25	27	29
Brant. Roof.	♦.35	18	17½	..
Brazilian Tr. pf.	6.00	152	150	..
Bright, T. G.	...	21	21½	..
B. C. Pulp & P. p.	7.00	163	..	175
Caldwell Linen	.50	14	14	14½
Do., 1st pref.	1.50	30½	30	32
Do., 2nd pref.	.80	16	16	16½
Calgary Power	...	75	80	..
Can. Cr. Stone	.40	10	8½	11½
Can. Forg. (B)	1.50	45	40	60
Can. Iron	.80	17	16½	18¾
Do., pref.	.60	15	11	16¾
Can. Machinery	.50	8	7½	8
Can. Starch	†.50	11	10	..
Do., pref.	*3.00	109½	105	120
Can. Convert. (B)	...	13½	13½	14
Can. Cottons	1.80	42¾	42½	43
Do., pref.	1.20	30½	..	30½
Can. Fairb.	1.00+■.25	34½	30	36
Do., pref.	6.00	145½	145½	..
Can. Gen. Elec.	8.00	258	250	270
Can. G. Sec. (A)	♦1.00	20	40	60
Do. (B)	♦1.00	20	40	..
Can. Ingersoll R.	♦.75	65	61	66½
Can. Oil 5% pref.	5.00	106	..	106
Can. Shipbldg. (A)	.60	29	..	..
Do. (B)	.40	9	3	..
Can. Tire	1.00	29	28	29
Can. Utilities	5.00	104½	101¾	105
Can. Vickers pf.	...	138	135	140
C. Wallpaper (B)	1.00	22	21	22
Carnation pfd.	♦4.00	116½	110	..
Cassidy's	...	14	13	15
Do., pref.	7+♦5.25	140	135	150
Celtic Knit	♦.20+.15	6	..	15
Cent. Can. L'n	8.00	182	185	..
Chart. Trust	5.00	140	140½	..
Cinzano (A)	41d	1.75	1.50	..
Do., 5½% pref.	5½%	4½	4	5
Circle Bar Knit	.60+.20	23	21½	24
Cochrane-D.	...	6½	6½	7
Do., pref.	1.20	25	25	25½
Coll. Terminal	♦.25	7	7	9
Do., pref.	♦.25	7	6½	9
Conduits Nat.	♦.25	7	7	7½
Cons. Div. Sec. (A)	...	.40	.35	1.00
Do., pref.	1.00	16¾	16½	17½
Cons. Sand pf.	†2.50	100	..	..
Corr. P. Box 5% p.	5.00	104	104	106
R. L. Crain	.40	7½	7	7½
Cres. Cream pfd.	♦5.00	105	105	110
Crown Dom. Oil	...	8	8	..
Crown Trust	4.00	105	106	..
David & Fre. (A)	.1+♦.25	25¾	..	24¾
Do. (B)	...	5	4½	4¾
De Havilland pf.	...	175	170	185
Disher Steel	...	3½	2	4
Do., pref.	■1.50	23	22½	24
Dom. A. Inv.	3.00+‡2.50	102	101	..
Do., pref.	5.00	110	109	..
Dom. Envelope	†.20	6	..	..
Do., pref.	3.50	54	50	..
Dom. Fabrics	.80	13	13	19
Do., 2nd pref.	1.50	29	29½	40
Dom. Glass pf.	1.40	38	37	38
Dom. Magnes.	...	9¾	9	10
Dom. Malting	1.00	25	25	26
Do., pref.	5.00	105	105	..
Dom. Scot. Inv.	...	3¾	3¾	4¾
Dom. Square	...	39	37	39
Dom. Textile pf.	7.00	182	182	184
Donohue Bros.	1.00	20	20	21
East Koot. Pr.	...	.25	1.50	3.50
East Theat.	♦1.00	20½	21	..
Easy Washing	.50+♦.15	14¾	14½	..
Enam. & Heat.	...	11	10½	11
English Elect. (B)	...	6	5	5
Federal Fire	■2.50	51¾	..	..
Fittings	...	10	10	10½
Ford Motor (B)	...	25	20½	32
For. Pr. Secs.	...	.50	.50	.55
Do., pref. 6%	...	12½	..	13
Freiman	.50	24	14	24
Gatineau Pr. 5½ p.	5.00	100	109½	..
Gen. Products pf.	5.00	101¼	100	101½
Godfrey	■.75	33	..	..
Gord. Belyea	2.50	59½	61	64
Gould Pumps	▲■8.75	65½	..	..
Grand & Toy	.60	12	14	16½
Gt. W. Saddlery pf.	3.00	53	51	..
Growers Wine	...	1.60	..	..
Guaranty Trust	5.00	117	124	..
Gurd, Chas.	...	14½	14½	..
Do., pref.	...	143	..	..
Hahn Brass	♦.30	9½	8½	9½
Do., pref.	1.00	19¾	19¾	20½
Halifax Fire	.80	19½	19	19½
Hillcrest Coll.	...	.50	.35	.50
Holt Renfrew	...	45	26	42
Do., pref.	7.00	170	..	160
Hubbard Felt	...	4½	4	..
Do. (A)	1.50	28	28	30
Humberstone S.	1.25	24½	22	27
Huron & E. Mt. 20% pd.	.4%+♦½%	21¾	21¾	23
Hydro Electric	...	4	3¾	4½
Imp. Varnish pf.	1.50	31	31	..
Indust. Accept. p.	5.00	106	103¾	105½
Int. Coal & Co.	.03	.40½	.37	.45
Int. Hydro El. (A)	...	9½	..	..
Int. Metal Ind. pf.	4.50	103½	103½	104
Int. Mill., pf.	♦4.00	108	109	..
Int. Nickel pf.	7%	123	132	..
Int. Paints	...	12	11	13
Do., pref.	1.00+♦1.50	28	26½	27½
Int. Pap. & P. p.	▲4.00	105½	..	..
Invest. Foundation	♦.35	8	8	9
Do., pref.	3.00	52½	52½	53
Jam. Pub. Ser.	.08	12½	12½	13
Do., pref.	7.00	138½	..	..
Langleys	...	3.00	2.50	3.50
Do., pref.	♦5.00	60½	63	80
Levy Bros.	♦.40	9	8	9
Lindsay, C. W.	...	15	15	18
Do., pref.	■4.00	115	115	..
Lon. Can. Invest.	♦3.50	91	..	..
Mackin Steel pf.	5.00	80	80	..
MacMillan Ex.	.40+♦.10	18½	18	18½
Maritime Tele.	.80	20½	20½	..
Do., pref.	.70	20¾	20½	..
Marcus Loew's	4.00	90	75	..
Do., pref.	7.00	115	113	..
McBrine	1.00	19	18½	19
McCabe (A)	.60	10½	10	10½
Mexican Lt. pf.	...	15	..	..
Mitchell, J. S.	■2.50	80	73½	..
Monarch Knit pf.	5.00	101½	..	..
Montreal Cot. pf.	1.75	40½	..	..
Mon. Life 30% pd.	12%	87	..	..
Mont. Is. Pr.	...	20	..	..
Montreal L'n	■1.25+.25‡	45	..	..
Mtl. Refrig. & S.	♦.30	17	18	..
Do., 1st pref.	1.50	29½	29	31

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Mar. 7 Bid	Ask
Montreal Tele.	‡1.92	50	49½	50½
Moore Corp. p. (B)	▲7.00	432	432	..
Morrison Brass	...	3½	3½	4
Murphy Paint	.80	23	22	23
Do., pref.	5.50	105	..	..
National Trust	.90	27	27½	27¾
Neon Prod. of W.C.	.60	12½	12½	14
N. Star Oil p.	.35+♦.06¼	6	6	7
Nor. Can. Mtge.	♦.40	15	15	..
Nor. Trusts	♦.80	19	18	20½
N. S. L. & Pr. pf.	6.00	111	110	111
Ogilvie Flour p.	7.00	183	181	185
Ont. Beauty S.	■.15	2¾	2¾	2¾
Ontario Loan	5.00	116½	117	..
Ont. Steel	1.00	19	18¾	20
Do., pref.	7.00	129	130½	..
Pantepec Oil	■▲.64	14	10	11
Paton Mfg.	.80	21	19	21
Do., pref.	1.40	30	28½	..
Paul S.S.	.35	20	..	20
People's Cr. Sec.	■.25	5½	5½	7
Photo Eng.	1.00+♦.50	26	26	27
Premier Trust	2.00	54	54	58
Que. Pulp & Paper	...	125½	..	..
Regent Knit	.50	26	25	..
Reliance Grain	...	19½	18	24
Robertson, P. L., p.	2.50	49½	50	..
Rob'son Little (A)	1.00	18¾	18½	19
Russell Indust. pf.	7.00	605	..	..
Scythes & Co.	.76	13¾	13½	14¾
Do., pref.	1.25	26½	26½	29
Silknit scripts	♦1.00	19¾	..	..
Silverwoods W.D.	■.55	13	..	..
Do., pref.	5.00	100½	100	..
Simon & Sons pf.	5.00	105	102½	..
Slater, N.	1.20	33	32½	33
St. Law. Flour	1.60	33	32½	35
Do., pref.	7.00	159	162½	..
Do., rights	...	3	..	..
Stand. Clay	...	13	13¾	16¾
Stedman Bros., n.	.60	16½	16½	17
Sterling Trust	5.00	114½	113¾	..
Stop & Shop	...	1.50	1.00	1.35
Stowell (B)	...	9½	7	9¾
Sup. Pete. ord.	1.00	48	47½	..
Do., com.	♦1.00	27½	40	..
Tamblyn pref.	2.00	53½	53	54
Thayers	...	7½	6	8
Do., pref.	♦2.50	35	30	35
Theatre Props.	...	4	4	5
Tip Top Tailors	.30	18	18¾	19¾
Tooke Bros.	♦.80	40	..	..
Toronto Gen. Tr.	♦4.25	171	172	180
Toronto Iron	.60	12½	..	11¾
Tor. Mortgage	5.00	116½	116	122
Traders Fin. (A)	1.00	34	30	34
Do. (B)	1.00	34	30	34
Do., 4½% pf.	4.50	103¾	103¾	104½
Do. (A) rights	1.00	21½	21½	24
Do. (B) rights	1.00	21½	21	..
United Corp. (A)	1.50	30	30	31
United Secs.	...	14¾	13	14¾
Viau Ltd. pf.	5.00	101	..	105
Viceroy	.28	9	10½	..
West Brew.	.80	15	15½	..
West. Grain	...	2.12	1.90	2.25
Do., pref.	...	47½	36	38
W'minster Pap.	.50	16¾	17½	18½
Weston, Geo., pf.	4.50	106½	106	106½
Willson Stat.	...	7	6½	7
Do., pref.	5.00	100½	100½	105
Wood, A. & J. p.	7.00	130	125	..
Zellers 5% pf.	1.25	27	27	27½

*Paid in 1945. ■Paid in 1946. ‡Extra. xOn arrears. †Paid in 1944. ▲N. Y. funds. ♦Paid or payable in 1947. •Dividend deferred.

Mining Stocks

	Div. rate $	Last sale	Mar. 7 Bid	Ask
Beaucourt	...	.35	.33½	.38
Belleterre	.20	8.75	8.25	10.00
Bobs Lake	...	.20	..	.17
Bouscadillac G.M.	...	.08	.08	.09
Brazil Gold	...	.05	.03½	..
Bridge River	...	.08½	.08	..
Bruce Cons.	...	.01	..	.02
Bulolo Gold	...	17.50	18.00	18.87½
Cent. Manitoba	...	.08	.07	.10
Dickstone C.	...	.03	.03	..
Douglas L.	...	.10	..	..
George Copper	...	.14	.12	.15
Golconda	...	.18	.17	..
Gold Pan	...	.71½	..	..
Graham B.	...	.12	.10½	.13
Great Falls M.	...	.02	.02	.04
Int. Mining	...	10.00	..	..
Island Lake	...	.01	..	.02
Kerr Lake	‡*.06	.50	.41	..
Knee Lake	...	.02½	.02	.05
Kootenay Belle	...	.09	.09	..
McGillivray C.	...	.18	..	..
Mentor Explor.	...	1.25	1.20	2.50
N. Louvre	...	.15	.14	.18
Packsack	...	.03½	.02	.03½
Pato Cons. G.	‡.40	5.30	5.25	5.35
Quebec Gold	...	.95	.94	.99
Red Cloud	...	.02	.01	.02
Red Hawk	...	.06½	.06½	.07
Rice Lake	...	.02½	.01½	.02½
Roche Long Lac	...	.11	.09½	.12
Silver Ridge	...	.27	..	.30
S. American G.	‡*.20	1.10	..	..
Squall Lake	...	.33	..	..
Sunloch	...	.18	.15	..
Tiblemont	...	.15	..	.25
Uchi Bonds Stpd.	...	13.12½	13.00	14.75
Yukon Cons.	...	1.35	1.35	1.42
Oil Stocks:				
Advance	...	.01	..	..
Ajax	...	2.02	..	..
Arrow	...	.05	..	..
Commoil	♦.00½	.33½	.33½	.42
Federated P.	...	.25	..	..
Hargal	...	.03	.02½	.04
Jumping Pound	...	.18	..	.10
Kitalto	...	.13	..	..
Lowery	...	.37	.30	..
Mar Jon	...	.09½	..	..
Merland	...	.01½	..	..
Mill City	...	.07	.07	..
New Ranch	...	.02	..	..
New Valley	...	.00½	..	..
Petrol Oil & Gas.	...	.07	.14	.20
Richland	...	.04½	..	..
Royal Crest	...	.03½	.02¾	..
Share Roy.	†.01	.04½	.03½	.04½
South End	...	.10	..	..
Sunset	...	.09	.07½	.30
Three Point	...	.02½	.01	..
Texas Can.	...	1.35	1.35	1.45
Vanalta	...	.14½	.11	.15
Vulcan Brown	...	.10	.08	..
Warner	...	.00½	.01½	.03
Wellington	...	.02	.01½	..

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BILL: It's published at regular intervals by Canadian-European Forwarders. I was talking to their President, Norman Spencer, about it recently. He said they couldn't stop publishing it even if they wanted to, it's in such demand. He also told me they'll gladly send "SIREN & BELL" regularly to any firm interested in Exporting, on request. That's a tip for you, Jack, and for readers of this story, too.

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Ontario Raises Tax Levy on Mining But Dominion Loser, Not the Mines

By GORDON M. GRANT

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Here is how The Financial Post calculates the change will work out for an "average small gold mine," making $100,000 a year, making the following arbitrary assumptions:

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(Plant value and profit per ton will naturally vary widely from above in specific instances).

	On Old Basis $	On New Basis $
The first tax "slice"		
Profit before taxes	100,000	100,000
Dom. tax on above profit:		
30% corp. tax plus 15% EPT, after 40% depl. allow.	27,000	*
Ont. mining tax on the above profit:		
6% tax with 7% of plant value as profit depletion	*	5,472
Balance of profit after first slice taken	73,000	94,528
The second tax "slice"		
Dom. tax on balance of profit:		
30% corp. tax plus 15% EPT, after 40% depletion	*	25,523
Ont. mining tax on balance of profit:		
3% tax, 50c. a ton mined taken as profit depl. allow.	1,440	*
Remaining profit	71,560	69,005

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Only about half a dozen gold mines in Ontario have profits running into the millions, so that the higher rates of mining tax do not apply in many instances.

MINING INVESTMENTS

Prospector & Developer Look at Mine Financing

What's wrong with mine financing? What can be done to help the mining industry?

A record attendance of prospectors and developers at the 15th annual convention of the Prospectors' and Developers' Association this week displayed unusual interest in these subjects. Besides the usual complaint that governments are not sufficiently interested in fostering mining, several other—and perhaps significant—views were expressed:

1. That mine financing is still the subject of too much red tape, and an improved type of regulation is desired.
2. Better access to legal aid would be a real advantage to people in the prospecting business.
3. Improvements in roads, air transport and work requirements on mining ground could help one of the industry's pressing problems.

It was generally conceded that what the Canadian gold mining industry needs is "a new transfusion of the profit motive." The squeeze between a fixed price and mounting supply and labor costs has been largely responsible for making the raising of new mining money difficult, it was felt. Tax concessions by themselves, it was thought, would hardly turn the trick. Most gold miners seem to be looking toward possible revaluation as the answer to the gold mining industry's problems.

* * *

Quemont Luck

The part luck plays in mining was well illustrated by a paper to the Association by Dr. W. L. Brown, geologist of Quemont Mining Corp.

Further work since discovery of the famous Quemont ore bodies has demonstrated that one of the early drives put out north of the Horne Creek fault zone at the 900-ft. horizon in previous operations (east of the shaft) was quite close to the ore body as it is now known. The north end of this crosscut, in fact, was prepared for diamond drilling, but holes were never drilled. If a hole had been put out 200 ft. to the east it would have intersected the 900-ft. level ore; vertical holes since drilled from the same crosscut have cut ore 450 ft. below the level.

Discovery hole at Quemont was No. 10. If it had been drilled 60 ft. lower it would have passed under and missed a big sulphide ore body.

* * *

Likes Red Lake

The Campbell-Dickenson section of Red Lake east of Cochenour shows possibilities of becoming the most important producing part of the entire camp and many other favorable areas for location of new mines exist, such as the East Bay section, H. J. Bergman told the Prospectors' and Developers' Association this week.

In the section from McKenzie Island northeast to East Bay, a belt roughly eight miles long and two miles wide, encouraging indications of gold ore deposition have been found on numerous properties besides the producers McKenzie Red Lake and Cochenour-Willans. Among those mentioned were Marcus, Richmac, McMarmac, Kaymac, Abino and McFinley Red Lake. McMarmac plans to resume milling this summer, McFinley is to sink a shaft to 500 ft., Marcus is already underground, he noted.

* * *

To Use Air Magnetometer

An air-borne magnetometer—an adaptation of a submarine detector—may be used by the Geological Survey of Canada this summer, G. Shaw, geologist of the Survey, announced.

The magnetometer will allow 100 square miles to be surveyed in about four hours with predetermined lines at about a quarter mile apart and 1,000 feet above the ground. If greater detail is required, this can be provided by running flights at closer intervals and at lower altitudes. Air photographs taken determine the actual flight path.

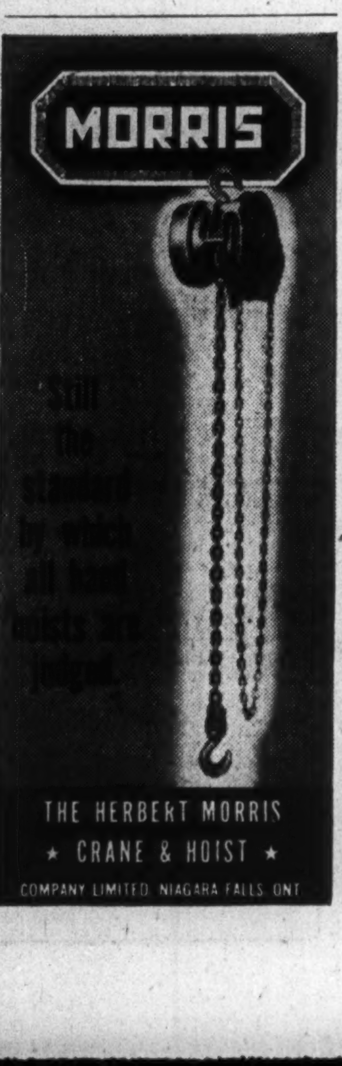
While the instrument cannot replace the geologist or prospector, it is expected that the results will be of great use where the ore bodies are themselves magnetic or have a definite association with rocks possessing characteristic magnetic properties.

MID CONTINENT OIL & GAS has called a special meeting of shareholders, March 28, to consider a resolution increasing authorized capital from four to five million shares.

Sherritt Reports On 2 Good Holes

Excellent final assays are reported on two drill holes completed by Sherritt Gordon Mines in its operation at Lynn Lake.

Drill hole No. 167 averaged 3.54% nickel and 1.20% copper from 39 to 632 ft. depth. Drill hole No. 169 averaged 3.73% nickel and 1.33% copper from 116 to 596 ft.



Extending Ore At Quemont

Ore Proved Continuous From 200 to Almost 2,200 ft. Depth

A new deep hole drilled by Quemont Mining Corp. has shown ore extending to a greater vertical depth than before—down to 2,136 ft. this time—and has demonstrated ore at a point 200 ft. farther west than previously established, The Financial Post is informed.

The latest drill hole, No. 983, departed from the usual Quemont procedure of vertical holes, and was put down at an angle from the old 900-ft. level workings to the west. It indicates a further addition to Quemont already substantial inferred depth ore resources.

Diamond drilling has now established continuous ore from the 200-ft. horizon right down to nearly 2,200 ft. or a distance considerably more than 2,000 ft. down the slope of the structure. The new ore is 1,400 ft. down the plunge from the 900-ft. level, it is reported.

A 49-ft Ore Width

The ore intersection in hole No. 983 was a 49-ft. one, starting at 1,217 ft. Because the hole was at almost right angles to the structure, the intersection gave close to a true width.

The ore body being outlined lies north of a south dipping east-west fault. As a result, the section of formation favorable for ore tends to lengthen at depth due to migration of the fault farther south. South of vertical holes in a north-south line which were in ore 200 ft. east of the latest hole, there is a distance of over 180 ft. "open". A new hole is now drilling 80 ft. south of the initial two.

A drive is being advanced northeast at the 900-ft. level to permit detailed exploration of the favorable contact between the southwest and northeast ore bodies. The ore so far mentioned is in the southwest body.

LAVALIE MINES says that drill hole 60 cut a series of quartz veins and stringers from 880 to 912.7 ft. A 1.4-ft. vein section therein showed visible gold in both pyrite and quartz and assayed $17.85 per ton. At 722 ft. in the hole, a silicified band 1.6 ft. wide, mineralized with pyrite, ran $4.20. Hole 61 is being drilled 580 ft. south of No. 60.

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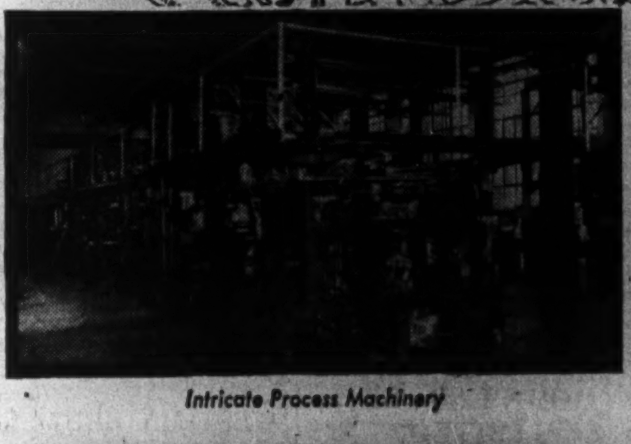

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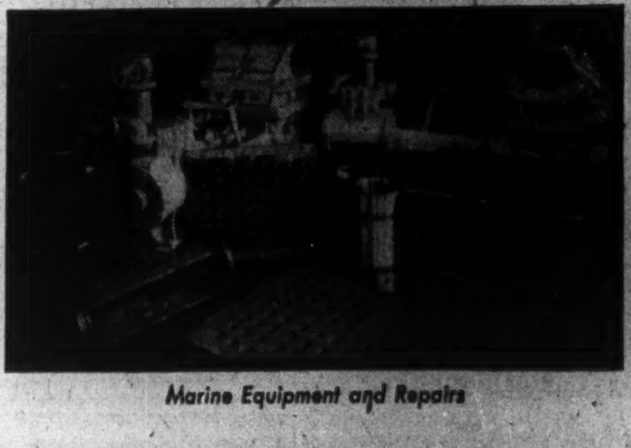
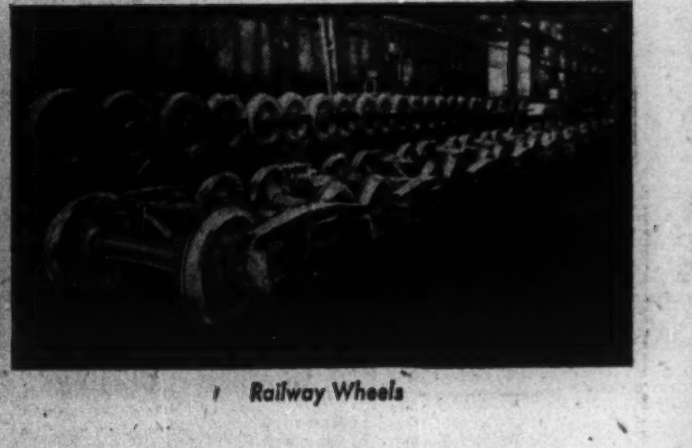
Heavy Equipment Fabrication



Marine Equipment and Repairs



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Ore Proved Continuous From 200 to Almost 2,200 ft. Depth

A new deep hole drilled by Quemont Mining Corp. has shown ore extending to a greater vertical depth than before—down to 2,136 ft. this time—and has demonstrated ore at a point 200 ft. farther west than previously established, The Financial Post is informed.

The latest drill hole, No. 983, departed from the usual Quemont procedure of vertical holes, and was put down at an angle from the old 900-ft. level workings to the west. It indicates a further addition to Quemon't already substantial inferred depth ore resources.

Diamond drilling has now established continuous ore from the 200-ft. horizon right down to nearly 2,200 ft. or a distance considerably more than 2,000 ft. down the slope of the structure. The new ore is 1,400 ft. down the plunge from the 900-ft. level, it is reported.

A 49-ft Ore Width

The ore intersection in hole No. 983 was a 49-ft. one, starting at 1,217 ft. Because the hole was at almost right angles to the structure, the intersection gave close to a true width.

The ore body being outlined lies north of a south dipping east-west fault. As a result, the section of formation favorable for ore tends to lengthen at depth due to migration of the fault farther south. South of vertical holes in a north-south line which were in ore 200 ft. east of the latest hole, there is a distance of over 180 ft. "open". A new hole is now drilling 80 ft. south of the initial two.

A drive is being advanced northeast at the 900-ft. level to permit detailed exploration of the favorable contact between the southwest and northeast ore bodies. The ore so far mentioned is in the southwest body.

LAVALIE MINES says that drill hole 60 cut a series of quartz veins and stringers from 880 to 912.7 ft. A 1.4-ft. vein section therein showed visible gold in both pyrite and quartz and assayed $17.85 per ton. At 722 ft. in the hole, a silicified band 1.6 ft. wide, mineralized with pyrite, ran $4.20. Hole 61 is being drilled 580 ft. south of No. 60.

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MINING INVESTMENTS

Prospector & Developer Look at Mine Financing

What's wrong with mine financing? What can be done to help the mining industry?

A record attendance of prospectors and developers at the 15th annual convention of the Prospectors' and Developers' Association this week displayed unusual interest in these subjects. Besides the usual complaint that governments are not sufficiently interested in fostering mining, several other—and perhaps significant—views were expressed:

1. That mine financing is still the subject of too much red tape, and an improved type of regulation is desired.
2. Better access to legal aid would be a real advantage to people in the prospecting business.
3. Improvements in roads, air transport and work requirements on mining ground could help one of the industry's pressing problems.

It was generally conceded that what the Canadian gold mining industry needs is "a new transfusion of the profit motive." The squeeze between a fixed price and mounting supply and labor costs has been largely responsible for making the raising of new mining money difficult, it was felt. Tax concessions by themselves, it was thought, would hardly turn the trick. Most gold miners seem to be looking toward possible revaluation as the answer to the gold mining industry's problems.

• • •

Quemont Luck

The part luck plays in mining was well illustrated by a paper to the Association by Dr. W. L. Brown, geologist of Quemont Mining Corp.

Further work since discovery of the famous Quemont ore bodies has demonstrated that one of the early drives put out north of the Horne Creek fault zone at the 900-ft. horizon in previous operations (east of the shaft) was quite close to the ore body as it is now known. The north end of this crosscut, in fact, was prepared for diamond drilling, but holes were never drilled. If a hole had been put out 200 ft. to the east it would have intersected the 900-ft. level ore; vertical holes since drilled from the same crosscut have cut ore 450 ft. below the level.

Discovery hole at Quemont was No. 10. If it had been drilled 60 ft. lower it would have passed under and missed a big sulphide ore body.

• • •

Likes Red Lake

The Campbell-Dickenson section of Red Lake east of Cochenour shows possibilities of becoming the most important producing part of the entire camp and many other favorable areas for location of new mines exist, such as the East Bay section, H. J. Bergman told the Prospectors' and Developers' Association this week.

In the section from McKenzie Island northeast to East Bay, a belt roughly eight miles long and two miles wide, encouraging indications of gold ore deposition have been found on numerous properties besides the producers McKenzie Red Lake and Cochenour-Willans. Among those mentioned were Marcus, Richmac, McMarmac, Kaymac, Abino and McFinley Red Lake. McMarmac plans to resume milling this summer, McFinley is to sink a shaft to 500 ft., Marcus is already underground, he noted.

• • •

To Use Air Magnetometer

An air-borne magnetometer—an adaptation of a submarine detector—may be used by the Geological Survey of Canada this summer, G. Shaw, geologist of the Survey, announced.

The magnetometer will allow 100 square miles to be surveyed in about four hours with predetermined lines at about a quarter mile apart and 1,000 feet above the ground. If greater detail is required, this can be provided by running flights at closer intervals and at lower altitudes. Air photographs taken determine the actual flight path.

While the instrument cannot replace the geologist or prospector, it is expected that the results will be of great use where the ore bodies are themselves magnetic or have a definite association with rocks possessing characteristic magnetic properties.

MID CONTINENT OIL & GAS has called a special meeting of shareholders, March 28, to consider a resolution increasing authorized capital from four to five million shares.

Sherritt Reports On 2 Good Holes

Excellent final assays are reported on two drill holes completed by Sherritt Gordon Mines in its operation at Lynn Lake.

Drill hole No. 167 averaged 3.54% nickel and 1.20% copper from 39 to 632 ft. depth. Drill hole No. 169 averaged 3.73% nickel and 1.33% copper from 116 to 596 ft.

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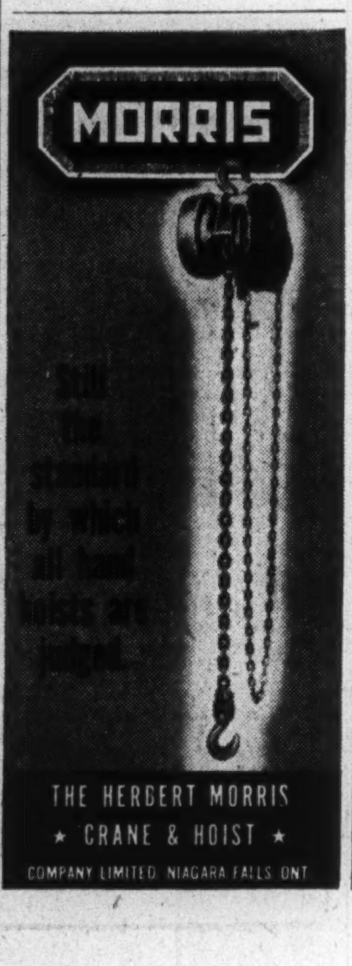

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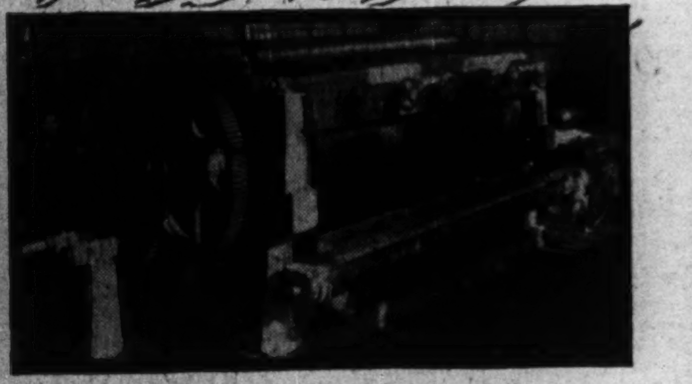

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Steep Rock Shows Substantial Profit In Final Seven Months of Year 1946

Is "operation Steep Rock" finally out of the financial woods and on a substantial earnings basis?

A detailed analysis of Steep Rock Iron Mines interim (and unaudited) balance sheet as at Dec. 31, 1946, and a comparison with the April 30, 1946, balance sheet, reveals several interesting facts:

(a) A net profit of $308,022 was realized in the eight months ended Dec. 31, 1946. (Deficit accounts showed a $308,022 reduction to $745,218 at Dec. 31, 1946).

(b) A "cash profit" of $1,034,242 was realized in the same period after bond interest and further expenditures on development, etc., but before write-offs and minor adjustment for changes in deferred charges.

(c) A working capital deficit of $408,921 at April 30, 1946, changed to $844,636 of positive working capital at Dec. 31, 1946. (Besides the "cash profit" above, $219,315 was received from sale of treasury shares.)

(d) Development account showed a $628,917 reduction to $7,575,938 in the eight months indicating that write-offs for development during the period were well ahead of expenditures.

No New Liabilities

Other than its current liabilities, the company had not indebtedness outside the $5 millions of 4% first mortgage bonds held by the Reconstruction Finance Corp. and the $2,250,000 of 5½% sinking funds debentures, both payable in U. S. funds. Steep Rock has a $725,000 reserve set up for payment of this indebtedness in U. S. funds. This reserve will not be needed should the Canadian dollar stay at par.

The increase in the price of iron ore in the United States by 50 cents a ton came too late to be a factor in earnings in the 1946 season but will unquestionably benefit the company in 1947.

While the balance sheet of Steep Rock Iron Mines at Dec. 31, 1946, showed $338,079 of ore in stockpile among current assets of $1,189,079, it is understood that such ore is almost as good as cash as far as the company is concerned, represents first class collateral for a bank loan. Steep Rock, of course, has been carrying on a substantial exploration program. There undoubtedly will be heavy expenses before returns start coming in on the basis of 1947 production. But from the latest results, it appears that the company is in a much better position to arrange any needed new financing that may be required.

Present plans call for delivery of 1,250,000 tons of ore in 1947 against slightly under a million tons in the 1946 calendar year. The company estimates that it can make a net profit on production of 650,000 tons annually barring special write-offs so production at the 1947 rate of 1,250,000 tons could easily result in a great improvement in financial position even though considerable expenditures are made on the company's program for expanding production over a period of years with production from the "A" ore body to supplement that from the "B".

While improvement in operating results appears to be the order of the day at Steep Rock, there is, however, no immediate possibility for payment of dividends. The company has substantial commitments for payments into sinking funds when and as earnings permit. For the next few years, expansion of production facilities, sinking funds and the gradual building up of working capital will take precedence. But the management is still optimistic that a fair level of earnings will eventually be developed, permitting satisfactory payment on the issue of slightly over six million shares of common stock now outstanding, even though the company's exemption from taxation expires in 1948.

Old Rossland Camp Reviving As New Consolidation Effected

From Our Own Correspondent

VANCOUVER — Work on one of British Columbia's most famous old mining camps at Rossland, which was once regarded as one of the most important mine areas in Canada is expected to be resumed shortly.

This follows the incorporation of Rossland Mines, which holds 103 claims on approximately 3,500 acres in the south belt of the Rossland camp. Claims adjoin some held by Consolidated Mining & Smelting, and in some cases run under the city of Rossland.

Burnett Is President

Officers of the new company, which has an authorized capital of three million shares, are Dr. W. B. Burnett, president; A. W. Fisher, secretary-treasurer; and O. H. Sollbakke, E. H. Lovitt, B. Brynelsen, Lloyd N. Smith and W. F. Laidman, directors.

Among the holdings acquired for shares in the new company are some of the West's most famous old mines, which have produced millions in gold, silver and copper.

Included in these are the May Queen claims; the Red Eagle claim, Sunbeam Fraction, and the Phoenix claim.

Some of the properties have been closed for a considerable period, and some have been worked in a desultory fashion.

Before diamond drilling and underground development is begun, geophysical surveys will be directed by Dr. A. R. Clark, associate professor of physics at the University of British Columbia.

Production recorded at the Rossland camp since first staking of the Lily May claim in 1887, followed by the LeRoi, Centre Star and War Eagle in 1890 has aggregated more than six million tons of ore with recovery of $81 millions.

The development work at this project is attracting considerable interest in mining circles in the Pacific Northwest, and engineers and geologists are watching closely the use of the magnetometer in what appears to be favorable ground.

Premier Move Is Opposed

B. C. Shareholders Want Company to Continue in Exploration Field

From Our Own Correspondent

VANCOUVER — A number of shareholders of Premier Gold Mining Co. resident in Vancouver are definitely opposed to winding up of the company, are making representations to see if it can remain in the active mine and exploration field.

When liquidation of the old-time B. C. gold mine, situated on Portland Canal, was announced last week, shares dropped suddenly on Toronto and Vancouver markets. From a $1.35 on Monday they went to 77c. and the decline knocked more than $2.5 millions from the market valuation of Premier's five million outstanding shares.

Spokesmen for dissenting shareholders, A. N. Wolverton of Vancouver, reports that they would rather see the company remain in the field of active mine exploration and development and centre its efforts in B. C. than share in distribution of a reported $1 million cash on hand.

There are more than 10,000 shareholders, most of them with small holdings and many of them in Vancouver.

Seek N. Y. Aid

Mr. Wolverton has written to larger Premier shareholders in New York offering to join with them in an effort to persuade the Premier directors to alter their policy.

Vancouver shareholders will meet April 1, immediately after the company's 28th annual meeting, to discuss winding up.

Mr. Wolverton states that Premier has sound management and says that its successful record warrants continued efforts to bring in new mines.

West coast financial circles estimate that on a conservative basis there is at least $1.09 of intrinsic value behind each Premier share. This figure, they say, is reached by taking Big Bell and Saudi Arabian Syndicate at Premier's book valuation of $4 and $2 respectively. This, though, they point out, allows nothing for numerous other holdings, including an interest in claims adjacent to Hollinger and Dome in the Porcupine district.

MINING CONCENTRATES

CROWSHORE PATRICIA GOLD MINES has received payment covering March 9 installment of 50,000 shares at 75 cents. Issued capital—2,600,005 shares.

• • •

EAST SULLIVAN MINES has received payment from Sullivan Consolidated covering purchase of 499,993 shares at 55 cents. Issued capital—3,733,333 shares.

• • •

EAST AMPHI GOLD MINES has received payment covering underwriting on 181,944 shares at 30 cents. Issued capital—2,500,010 shares.

• • •

HEVA GOLD MINES advises that 201 west drift was continued along footwall on 275-ft. level in February for a distance of 179 ft., taking face 656 ft. west of main crosscut. At month end the quartz vein had swung south away from the shear contact and values increased substantially, average for last four rounds, 23 ft., being 2.04 oz. over 2.4 ft. Excluding this section, 436 ft. of ore averaging $8.31 over 6.69 ft. has been developed in this drift. The 400-ft. west drift was continued in high-grade for 180 ft. west of the diabase dyke with average grade for this distance $25.19 over 6.9 ft. A surface diamond drill hole which yielded 0.567 oz. across 6.5 ft. lies approximately 300 ft. from last face.

• • •

NEW MARLON GOLD MINES has received payment covering 96,525 shares at 30 cents. Issued capital—1,969,778 shares.

• • •

JOCK SUTHERLAND SYND. has acquired 13 claims in Cobalt district, Montreal River section, Ont., including the Larry Downey property. Active development of the property will start as soon as weather conditions permit, to be followed by diamond drilling.

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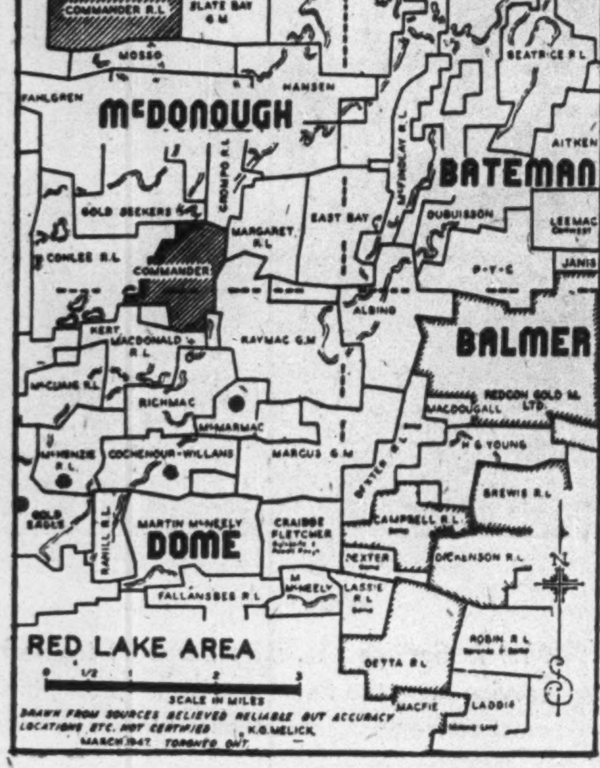

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MONEY

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METHOD

With the mapping of the South claim group now completed, Mr. G. L. Holbrooke, the Company's Consulting Geologist, recommends an intensive program of surface sampling and 15,000 feet of diamond drilling for the present season. The primary objective is the investigation of a strong shear zone, trending approximately east-west across the South claim group. Additional work will include the sub-surface exploration of the diorite contact in the northern part of the group. Contracts for diamond drilling have been arranged and all preliminary work is completed.

The shares of Commander Red Lake Mines are recommended by us as principals as an excellent opportunity for the "Intelligent Employment of Risk Capital" at the pre-drilling price of

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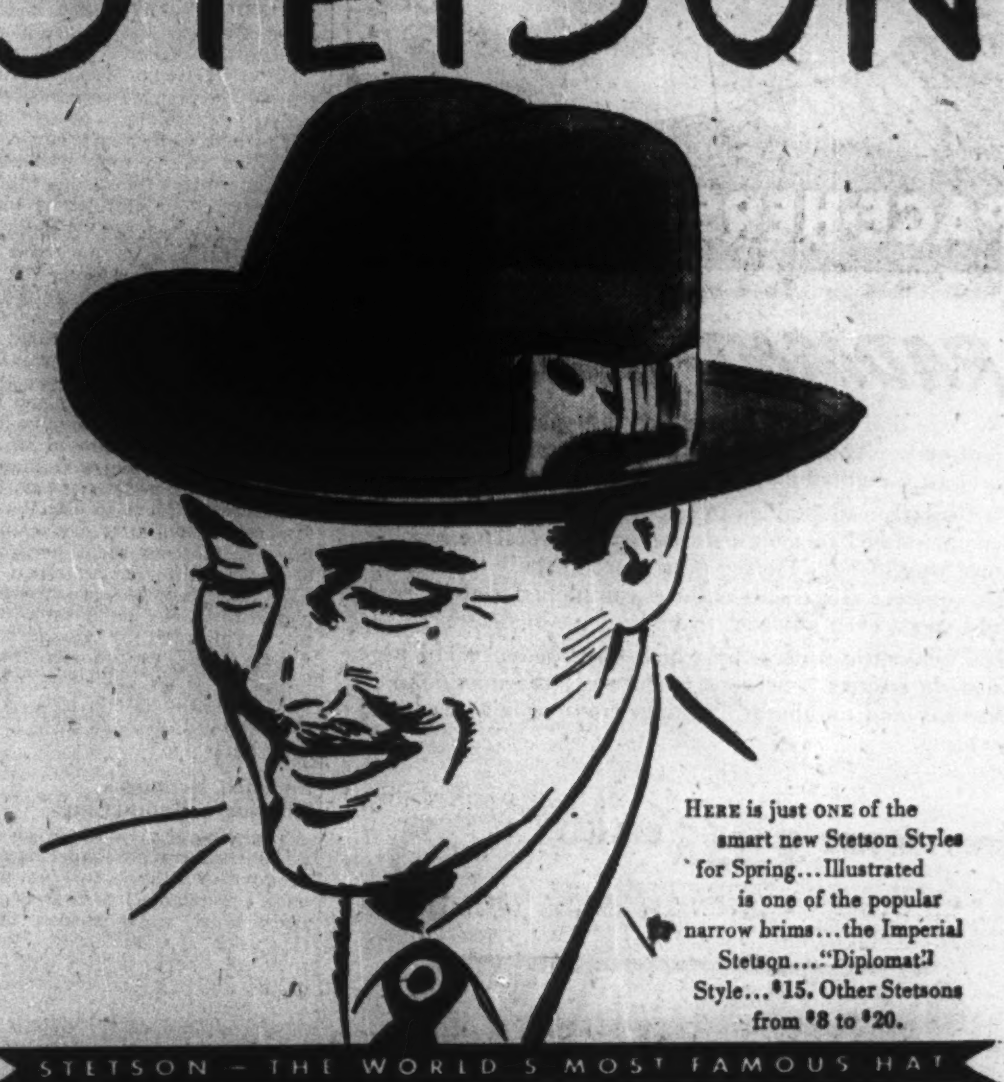

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3. On acceptance of offer purchase price will be payable in full. No trade or quantity discounts will be allowed.
4. Purchasers will be required to take delivery of merchandise sold (or to remove from the premises) at their own expense, within a time limit set by the Corporation.
5. It should be noted that, while the Corporation reserves the right to accept any offers made during the period of display or prior to such period, in general all offers received during the display period and / or before 5 p.m. (E.S.T.) March 25, 1947 will receive equal consideration.
6. Offers must therefore reach the Corporation, at the address shown below, prior to 5 p.m. Eastern Standard Time, Tuesday March 25, 1947.
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LONDON CALLING—*By Adelphi*

Socialist Pledges Prove Boomerang Decentralization Program Hits Snags

LONDON — We have had a week of shocks and we are in no state to take them.

For it gets no warmer, fuel grows seemingly scarcer, the streets are muddier, our feet get colder and wetter and our coupons buy us no more shoes or socks to replace the sodden things that encase our chilblained toes.

We drag ourselves to the underground railway on our way to work. The fare has jumped 20%. The moving staircase down to the platform is not moving, for the power has been cut. Settled at last in our train we open the morning's paper to discover that we have just given away the Indian Empire unconditionally and regardless of the state in which we take our hurried and shabby leave; that we are passing on the Palestine problem to UNO with the confession that we cannot solve it; that our monthly pound of sweets is to be cut down by half and that the latest white paper threatens us with a permanent drop in the standard of living unless we do something, but there is no indication what, only an implication that it is something pretty desperate to deal with.

• • •

Socialist Promises Proving a Boomerang

The general view of the economists (but we no longer regard economists with the awe that they once commanded) is that everybody must work harder. Now this sounds a little silly, with something between 25% and 50% of the nation's industry standing still because of what between 50% and 75% of the population consider the sheer incompetence of our rulers.

But even if the machines start to move again, how can everybody work harder when there is less to eat and nothing much to buy? And above all, how is this message of tears, toil and sweat to be put over by a government of people who have spent their political lives telling the manual workers that everything will be much easier and softer for them as soon as they elect a Labor Government?

• • •

Smitten by a cumulative depression that was getting to be rather more than I could bear, I decided that I would do something I have not done for many weeks; I would go to a theatre. Now going to a theatre in 1947 is a very different matter from going to a theatre in 1939 or even 1942. It has become a matter of infinite labor. First you must book your seat in advance. Then you must somehow get along and buy your ticket by the morning of the performance.

There was a time when theatre going was a delightful easy relaxation. It has now become a study in inconvenience. In the bad old days of Tory and Liberal misrule we would go home at the end of a day's work, take off our sweaty clothes, possibly have a hot bath and put on evening dress, or at any rate some clean dress, eat our evening meal at leisure and, taking our seats around 8.30, settle down to enjoy ourselves.

No more! The theatre begins nowadays between six and seven. There is no time to eat before we go. Still less is there the time to change our clothes. As we are, tired, rather hungry and probably unkempt, we dash in trains or buses, crowded at the rush hour, to spend most of Act I recovering from the scramble, the whole of Act II wondering whether to try to get a meal when the performance is over, and the last part of Act III figuring out just where to go and how to get there and which way to return home.

• • •

Better Off in U. K. In Spite of Everything

With my companion, I fell to talking in a strain that has become too common of late. We both said that England was definitely a place to get away from. You will hear a surprising number of people talking that way nowadays. The next question was where we would like to go. "Canada," I said.

"No. There are no good theatres in Canada; at any rate not regular ones."

"The United States." "Too noisy. And there's no tradition to the United States."

"South Africa." "Certainly not. It has a color problem."

"France." "What on earth would be the point of going to France? It's just like England, only more so."

"Ireland." "I come from there. It's out of the world. One's brain just vegetates."

Finally, we both decided that we might like to go to Greece. On reflection it seems to me to be rather an odd choice, but there seemed to be nowhere else. But in the end we concluded that Britain was probably rather a better place to live in than Greece. For one thing, we did not know modern Greek and there would be small joy in living in a country whose language was totally unfamiliar. And we have no friends in Greece. Our friends are all in England. So we concluded that we were better off where we were than we should be anywhere else. And that is the way that nine out of every ten of these conversations is likely to end.

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English Countryside 'Like Different World'

London, as you may have possibly gathered from the last few letters that I have written, is rather a cheerless place. But London—and this I fear that you will not gather, because few Londoners and no visitors ever do appreciate it—London is not Britain. London is not even England. True it contains a quarter of the population, but the other three quarters do count for something.

So last week end I decided that I would go out of London. Not far out, just 30 miles. I went into the County of Essex and I stayed overnight in a village that I know, that has not perceptibly changed its appearance, nor I should imagine anything else very vital, since the 15th century.

It was a different world. The snow, instead of being grey and slushy, shone crisp and white. The skies were no longer grey, but clear blue. Children and grownups too were running around with homemade toboggans and skis. True the power was cut, but much we cared, for the cottages are lit by candles and all the wood we needed was at hand in the forest.

It was a different world. I came back feeling a year younger for every hour that I had spent in Essex. Truly these great capitals are neurotic places. One can have too much of them. And as I stood waiting in the snow for the motor bus to take me to the station (I had plenty of time to wait; the bus, in fact, did not arrive, because it had burst its radiator in the frost) I told myself that, to give The Financial Post readers a true picture of England, I should spend more time, much more time, away from London.

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Decentralization Program Hits Snags

Capitals are deceptive places. Yet it is always from the capitals that newspapers get their reports. Inevitably then the world receives a jaundiced picture of its other parts. Maybe that is why the Government, rightly anxious that London should not grow any bigger, has decided to build a number of completely new towns. Unluckily the people who live in the old towns that will be the nuclei of the new ones, strongly resent the transformation.

At Stevenage, the first locality designated to be a new town, two of the inhabitants brought the matter to the High Court, alleging that the minister did not hold the objective enquiry which, according to the Act, must precede the planning of a new town on any site. They won their case. So the ministry are in a quandary.

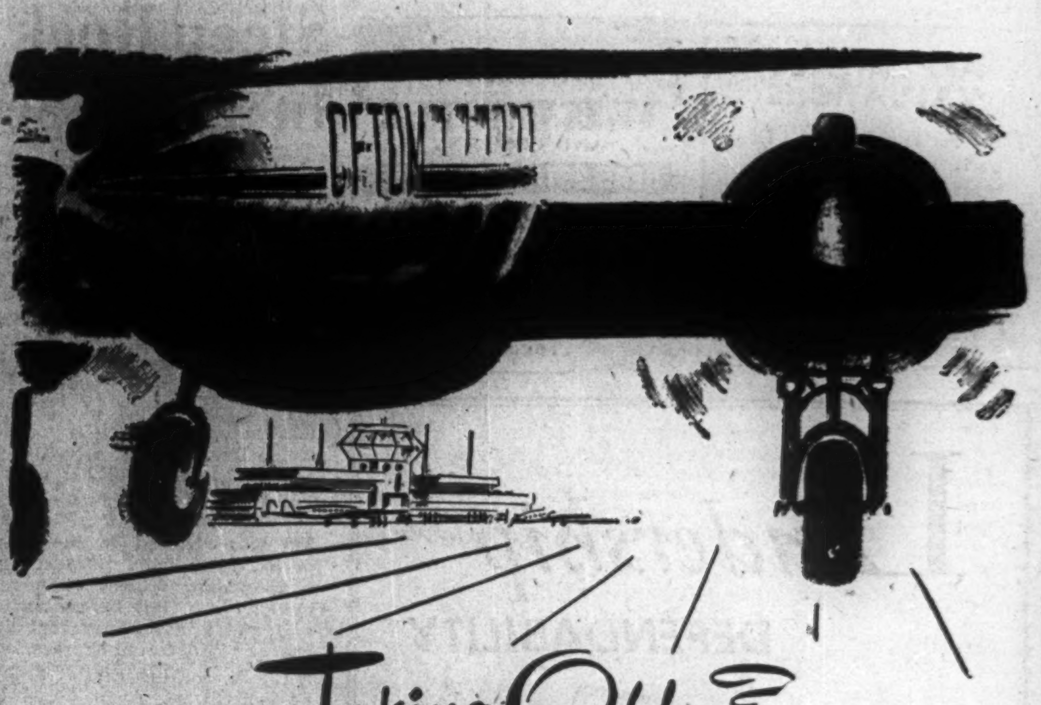
Some people seem to think the way out is easier than it appears to me. The Evening Paper Star (Liberal) uses the oddly illiberal argument that "New legislation should be rushed through to enable the plan to go ahead." What new legislation? Even this Parliament is going to think somewhat before passing an Act to say that the minister shall NOT hold an impartial enquiry into the suitability of sites that he chooses for his towns.

J. C. CLAPPINSON

has been appointed a vice-president of Champlain Oil Products Ltd.

Laurentide Acceptance Sells $500,000 Issue

MONTREAL (Staff) — Laurentide Acceptance Corp. sold recently $500,000 3½% serials and 4% sinking fund bonds at 100 and accrued interest to Rene T. Leclerc Inc. and Lajoie, Robitaille & Co. This issue was approved at a recent shareholders meeting at which time was approved a five-for-one split in its $100 par preferred as well as an increase in authorized common capital from $24,000 to $50,000.



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